

ALERT

Affordability Agenda: Costly Anti-AI Bills Added to List



Five proposals that would overregulate and possibly ban the use of cost-effective, beneficial artificial intelligence tools by California businesses were added this week to CalChamber's Affordability Agenda, an annual assessment of legislation that could either cut business and consumer costs or accelerate the state's high cost of living.

Six other bills, covering a variety of topics impacting California businesses, were also added to the Agenda's **Cost Drivers** list. When combined with bills identified last month, the list now covers 26 damaging legislative proposals.

No additional bills were added to the Agenda's **Cost Cutters** list, bills that would improve the state's economy. "These bills take the wrong approach toward the development and use of artificial intelligence," said **CalChamber President and CEO Jennifer Barrera**. "They would worsen the state's affordability crisis, weakening industries that generate billions of dollars in tax revenues for government services."

AI Bills

The list of AI bills opposed by CalChamber includes **Assembly Bill 2027** (Ward; D-San Diego), a proposal that would pose significant barriers to creating or improving workplace technology.

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Rate Realities Campaign Urges Legislators to Cut Mandates that Add 37% to Customer Bills



The California Chamber of Commerce this week announced the next phases of

the "Rate Realities" campaign, calling on lawmakers to get serious about affordability, cut costly mandates, and stop passing legislation that drives up utility infrastructure costs and customer electric bills.

"We agree with the Legislature in its focus on electricity affordability," said CalChamber President and CEO Jennifer Barrera. "The fastest way to bring down electricity bills is to cut or find alternative funding for costly state mandates that are adding 37% to the average customer's bill. What's more, legislators must stop passing misguided and risky proposals that actually increase customer bills."

CalChamber has launched a statewide digital ad campaign urging lawmakers to cut the mandates and lower electricity bills. The ads can be viewed [here](#).

The Facts

- According to a recent analysis, **state laws and mandates add 37% to the average electric bill** for customers of investor-owned utilities (IOU), including Southern California Edison, Pacific Gas

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Small Business Grant Nominations Now Open



The California Chamber of Commerce, in partnership

with the Sacramento Host Committee, is honored to bring back the Small Business Grant Awards.

Through this partnership, CalChamber is awarding two grants of \$5,000 each to small businesses that meet specific eligibility criteria. Grants will be awarded to two small businesses representing the Greater California area.

The purpose of these grants is to support independently owned and operated small businesses that contribute to the California economy and align with the CalChamber mission of making the

state a better place to live, work and do business.

In addition to the grants, each grant recipient also will receive a one-year Online Membership with CalChamber (\$499 value).

The grants will be presented at the California Business Outlook Dinner on June 10 in Sacramento.

Deadline

The deadline for submitting applications is May 8 at 11:59 p.m.

For more information, see the [California Business Outlook and Dinner website](#).

Application Link: [Small Business Grants Submission Form](#).

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Labor Law Corner

What to Do When Firing an Employee Who Refuses to Come to Office



Ashley Huynh
Employment Law
Expert

We have an employee who was suspended pending an investigation, and we plan to terminate him today. We have his final paycheck at the office ready for him to pick up. However, he refuses to return our call and wants to communicate only via text message. What are our options for response? How do we manage his termination, pay any reporting time and give him his final paycheck?

After you have completed the investigation and decided to terminate

employment, you should set clear expectations when communicating with your employee, as well as pay them for any reporting time pay and give their final paycheck when they are terminated.

Communicating Termination

Here, if you normally terminate employees in person and are trying to speak to the employee to communicate the timing and details of the meeting, you still can communicate scheduling details via voicemail, text message or email.

Communicate clearly to the employee that they are expected to report to work for a meeting with their supervisor, including the meeting details, such as specific time and location.

Meeting and Reporting Time Pay

You must pay a minimum of two hours to a maximum of four hours of reporting time pay if employees report for work as scheduled or at your request but aren't put to work or are given less than half of the hours they were scheduled for or usually work.

Because the employee was suspended, asked to come in for a meeting and not

scheduled to work their regular shift, then the employee would need to be paid for the meeting time and any applicable reporting time. For example, if the meeting was 30 minutes, they also would receive an hour-and-a-half reporting time pay.

However, if the employee came in during a regularly scheduled workday and was expecting to work their regular shift, then the employee would be paid half of their regularly scheduled shift, with a minimum of two hours and maximum of four hours.

Final Pay

Ensure that you provide the employee with their final paycheck, including all wages and vacation accrual payout, at the time and place of termination.

Here, when the employee comes to the meeting, you would provide them with their final paycheck at that time. Employers who pay final paychecks late owe a day of pay for every day late, up to 30 days, as waiting time penalties.

Employee Refuses to Come to Work or Return Calls

If the employee does not come

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CalChamber-Sponsored Seminars/Trade Shows

More information at www.calchamber.com.
Human Resources

Workplace Violence Prevention Program Tips for 2026. CalChamber. April 16, [Webinar](#). (800) 331-8877.

HR Boot Camp. CalChamber. April 23–24, June 4–5, September 10–11, [Virtual Seminar](#). (800) 331-8877.

Leaves of Absence. CalChamber. May 7–8, August 6–7, [Virtual Seminar](#). (800) 331-8877.

Wage & Hour 101: Nonexempt/Hourly Employees. CalChamber. May 21, [Webinar](#). (800) 331-8877.

Cal/OSHA Consultation Program Overview and Key Updates. May 28, Free Member Webinar. [Contact account manager](#).

Wage & Hour 101: Exempt Employees. CalChamber. June 18, [Webinar](#). (800) 331-8877.

Supervisor Essentials. CalChamber, July 16, [Virtual Seminar](#). (800) 331-8877.

Mid-Year Update (1-Hour Free Member Webinar). CalChamber. August 20. (800) 331-8877.

Conducting California Workplace Investigations. CalChamber. August 27, [Virtual Seminar](#). (800) 331-8877.

California Pregnancy Disability and Child Bonding Leaves. CalChamber. September 17, [Webinar](#). (800) 331-8877.

See CalChamber-Sponsored: Page 6

CalChamber Calendar

California Business Outlook and Dinner:
June 10, Sacramento

*The Workplace***Workplace Violence Prevention Standards: Correcting Misconceptions**

In **Episode 241** of *The Workplace* podcast, CalChamber Associate General Counsel for Labor and Employment Matthew

Roberts and CalChamber Employment Law Counsel Vanessa Greene discuss California's workplace violence prevention standards as the two-year anniversary of their implementation approaches. They focus on how employers are navigating these complex and ongoing legal requirements, plus common misconceptions and practical challenges.

Greene explains that the law rests on three core obligations. Employers must:

- Create a detailed, written workplace prevention plan;
- Train employees on that plan; and
- Establish procedures for responding to and documenting incidents.

Tailored Plans

Greene highlights that no “one-size-fits-all” approach satisfies each requirement.

Each plan must be tailored to the specific hazards of an employer's worksite — or multiple worksites — where risks and operations often differ significantly.

Employers underestimate how comprehensive these workplace violence prevention plans must be. Just implementing a handbook policy that prohibits workplace violence isn't enough; the law requires a standalone document covering numerous elements, including emergency procedures, identifying hazards in each workplace and mitigation strategies.

Employee Input

Further, employers are required to solicit and incorporate employee input — a departure from more top-down policy development.

Employee input is especially critical for organizations with multiple or varied worksites, where employees can provide insight into location-specific risks.

Roberts and Greene also address the challenges when a workplace is shared with other employers and offsite work, such as employees visiting client locations.

Additionally, workplace violence prevention training creates its own challenges for employers. Greene emphasizes that employers must complete their prevention plan *before* conducting training, as the training content must be both interactive and specific to that plan.

Finally, Roberts and Greene emphasize the specific requirements for an employer's response to a workplace violence incident. Employers must investigate reports thoroughly and document them in a workplace violence incident log. Based on the findings, employers should update workplace violence prevention plans if needed to prevent future issues and train employees on any changes.

Throughout the podcast, Roberts and Greene focus on the complexity of California's workplace violence prevention standards to provide key, practical takeaways for common issues employers face.

Rate Realities Campaign Urges Legislators to Cut Mandates

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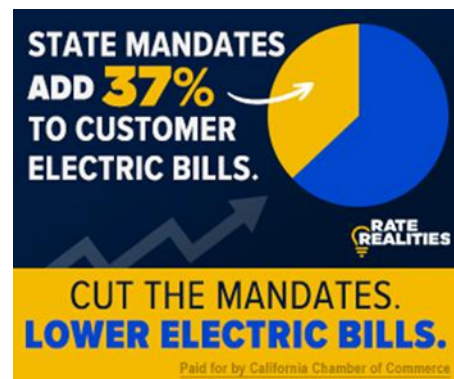
& Electric and San Diego Gas & Electric, according to a 2025 Blue Sky Consulting Group report. That amounts to more than \$820 per year for the average IOU customer.

• A separate analysis from the [California Public Advocate's Office](#) at the California Public Utilities Commission (CPUC) found that customers without rooftop solar are paying more than \$8.5 billion every year on their electric bills to subsidize customers with rooftop solar systems. **That adds 20% or almost \$440 per year to every non-solar customer's electric bill** — primarily hurting low-income families, seniors and renters.

• In addition to the solar cost shift, bill discounts for low-income customers, paying for energy efficiency programs, subsidies to upgrade school air conditioning and plumbing, wildfire prevention efforts, to name a few, all add hundreds to customer electric bills.

• While many of these programs are important, it is unfair to ask electricity customers to subsidize the cost for all, particularly when they are unrelated to the cost of electric or gas service and many of these programs benefit all Californians.

For more information, please visit <https://RateRealities.com>.



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Canada Day Luncheon Attendees Tout Subnational Diplomacy Efforts



Karen Ross



David Adkins



Rana Sarkar



The power of subnational diplomacy was in evidence recently during the

Canada Day at the Capitol Luncheon, presented by the Consulate General of Canada in San Francisco and the California Chamber of Commerce.

Speakers at the March 25 gathering highlighted the many ways in which Californians and Canadians are connected, and attendees showed their appreciation for the shared anecdotes with bursts of laughter and much applause.

The featured speakers were California Food and Agriculture Secretary Karen Ross; David Adkins, executive director and CEO of the Council of State Governments; and Canadian Consul General Rana Sarkar.

Karen Ross

Karen Ross, state secretary of food and agriculture, noted that Canada is the second largest destination for agricultural exports from California, the nation's No. 1 exporter of agriculture goods. Besides accepting 35% of California wine exports, Canada receives 85% of lettuces and 60% of strawberries grown in California.

More important, Ross said, is the relationship, the friendships — “the ease

with which we cross borders, the ease with which we do business together, the importance of the environmental work that we've done, and the partnership on so many things around climate and climate-smart agriculture.”

She concluded: “We celebrate the good business ties, the economic ties, but most importantly, we celebrate friendship and the continual investment in creating relationships that work across borders for the good of all.”

David Adkins

David Adkins, executive director and CEO of the Council of State Governments, emphasized that “subnational relationships — relationships between the Canadian provinces and the American states — are vital, sustained, and something that we can all celebrate.”

At the subnational level, he said, “innovation is occurring, partnerships are being forged, and the acceleration of innovation is resulting in an alignment of supply chains, the growth of markets, and ultimately the ability for state and provincial officials, with support from their federal governments, to expand prosperity, improve the quality of life, enhance the climate, and move us to a future with technologies that will be exponentially disrupting all of those things.”

Adkins listed the many links between Canada and the United States, from

shared legal traditions to both countries having the strength that comes from being nations of immigrants. Other shared interests he cited ranged from dual citizens, sports, comedians and actors, to opportunities embodied in the U.S.-Mexico-Canada Agreement (USMCA).

He voiced optimism about future relations given the history of the alliance. Brave Canadians were among the armed forces who lost their lives to take the beaches of Normandy on D-Day in World War II, he reminded listeners.

“We're more than neighbors, we're more than friends, we are truly allies, connected inextricably in crafting a future that is not only better for us, but for the entire globe,” Adkins said.

“I know Canada and the United States will find the footing in the future to make the decisions that are in the best interests of both nations, because the character of those nations will always reflect the best qualities of the people of those nations,” he said.

Rana Sarkar

Keynote speaker Rana Sarkar, dean of the consular corps in San Francisco, cited the power of the human connections between Canada, the United States and California.

“At this disruptive moment,” he said, “there's also an opportunity” for Califor-

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Canada Day Luncheon Attendees Tout Subnational Diplomacy Efforts

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nia and Canada “to build a more resilient model of a North American partnership.”

Worth repeating, he said, is that if California were a country, it would be one of Canada’s largest trading partners in the world. “The subnational partnerships in this room,” he told listeners, are “extremely meaningful.”

Canada-California trade “would register as a bilateral relationship by any global standards,” Sarkar said. Numbers to remember, he said, include:

- More than \$48 billion of two-way trade and investment flows between Canada and California each year. Canada is California’s seventh largest two-way trade partnership by volume.

- More than 750 Canadian-owned companies operate across the state, employing close to 100,000 Californians in fields ranging from cybersecurity to medical science, real estate, clean energy and financial services.

- Canada buys more of California’s agricultural products than Mexico, China, Japan and South Korea combined.

Between its pension funds, insurance and other sectors, Canada has multitrillion dollars of capital, of which more than \$1 trillion is invested in the United States, much of that in California, Sarkar noted.

The Canadian entities have invested deeply into California’s ports, highways,

energy systems and technology platforms, he said. “And this is patient, long-term capital that doesn’t seek quarterly returns; it seeks decades-long sustainability.”

That capital depends fundamentally on the “predictability of the rules of engagement,” he said, like what the USMCA provides.

Canadian Prime Minister Mark Carney has described the current moment as a “world of variable geometry — a global economy where integration increasingly depends on trust, alignment, shared values, rather than on sheer scale alone,” Sarkar said.

In this world of variable geometry, Sarkar continued, “the most successful economies will be those that trade with each other equally, and also those who trade most deeply with partners they trust the most...so this is a strategic relationship between Canada and California.”

He pointed out that tariff-driven price increases on Canadian products have increased costs for California and U.S. goods. For example, the tariff on potash, a fertilizer on which the agricultural sector depends, has increased costs for growers in California’s Central Valley and the Central Coast. Canada supplies 73% of U.S. potash imports.

Tariffs on Canadian lumber, he said, have added an estimated \$35,000 to \$45,000 to the cost of building a single home.

An important element of relations between the nations is Canada’s production of intermediate goods that make up U.S. products that are sold on, Sarkar said. “We build things together,” he noted.

U.S. manufacturing, he said, sources more imports from Canada than any other country.

Oil and gas also is a significant component of the trade between Canada and the United States. “Given the uncertain geo-economic and geopolitical times...we can be a reliable, low-cost and sustainable supplier in energy,” he said.

In a March visit to the nation’s capital, Sarkar said, he told his interlocutors: “This is the moment to get up and to talk to your American counterparts, your Canadian counterparts, your global counterparts, and to say: ‘We need a stable basis of a global order that starts with a very strong North America.’”

Western countries, including Canada and the United States, are “in the midst of building the architecture that is going to sustain us for potentially the next 100 years,” Sarkar commented. “We are very excited to be building alongside of you,” he told the audience, “and we’re very excited to be building with the CalChamber.”

Staff Contact: Susanne T. Stirling

Costly Anti-AI Proposals Added to CalChamber ‘Cost Drivers’ List

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Four other AI-related bills were also added to the list of costly proposals: **Senate Bill 951** (Reyes; D-San Bernardino), which would significantly expand staff reduction notices as a result of technology; **Assembly Bill 1979** (Bonta; D-Alameda), seeking a ban on AI-related health care tools for activity involving professional judgment; **Assembly Bill 2575** (Ortega; D-San Leandro), imposing unworkable disclosure and liability rules on health care-related use of AI technology; and **Senate Bill 1011** (McNerney; D-Pleasanton), which would place significant burdens on automated decision systems used by utilities, includ-

ing those used to provide rapid emergency responses.

Other Bills

Other bills added to the Affordability Agenda’s **Cost Drivers list**:

- **Assembly Bill 1776** (Aguilar Curry; D-Winters): Antitrust law changes leaving businesses vulnerable to new legal liability ([see earlier statement](#)).

- **Assembly Bill 2021** (Schiavo; D-Chatsworth): Creates a financial incentive for individuals to file claims for violations of the California Consumer Privacy Act.

- **Assembly Bill 2034** (Addis; D-Morro Bay): Increases food costs by

creating new state-specific regulations regarding food additives.

- **Assembly Bill 2095** (Lee; D-San Jose): Makes changes to the Fair Chance Act covering hiring practices, regardless of the facts or circumstances surrounding any prior convictions.

- **Assembly Bill 2569** (Hart; D-Santa Barbara): Significantly expands CEQA impact report requirements, increasing costs and exposure to litigation.

- **Assembly Bill 2646** (Krell; D-Sacramento): Threatens current wage structure under the federal H-2A agricultural worker program, driving up industry costs.

What to Do When Firing an Employee Who Refuses to Come to Office

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to work for the meeting and refuses to communicate via phone, you may need to communicate the termination through other means. For example, you could decide to send the employee's termination via mail along with the required termination documents and final paycheck.

Their final paycheck is due at time of termination. Terminated employees must be paid at the place of termination, and

the place of termination is the employee's location, not yours.

If you terminate an employee who is not at your place of business, you must be prepared to deliver the final paycheck at the moment the employee is notified of the termination. Otherwise, you may be liable for waiting time penalties.

If you require the employee to complete any termination documents/forms or require action from the employee where the employee is subject

to the employer's control or suffered/permitted to work, this would be compensable time, and this pay should be included in the final paycheck.

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.hrcaifornia.com.

CalChamber-Sponsored Seminars/Trade Shows

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Simplifying Local Ordinances: Helpful Resources for California Employers. CalChamber. [Webinar recording](#). (800) 331-8877.

2026 Employment Law Updates. CalChamber. [Webinar recording](#). (800) 331-8877.

California Employers' Guide to AI Decision Making. CalChamber. [Webinar recording](#). (800) 331-8877.

Navigating Paid Sick Leave and Time Off Requirements in California. CalChamber. [Webinar recording](#). (800) 331-8877.

International Trade

Chile FIDAE Airshow: California Pavilion. Governor's Office of Business and Economic Development (GO-Biz). April 7–12, Santiago, Chile. [See flyer](#). Diana.Dominguez@gobiz.ca.gov.

EXIM Annual Conference. Export-Im-

port Bank of the United States. April 29–30, Washington, D.C. [Conference website](#).

The World in Motion: Advancing Sports Tourism on a Global Stage. Inland Empire World Trade Conference Committee and San Bernardino International Airport. May 1, Highland. [Get tickets](#).

SelectUSA Investment Summit. Select USA. May 3–6, National Harbor, Maryland. [Event website](#).

12th Annual Orange County World Trade Week Forum. District Export Council of Southern California. May 7, Irvine. [Event website](#).

NADEC Annual Trade Conference: Global Trade in Transition. National Association of District Export Councils. May 12–13, Nashville, Tennessee. [Event website](#).

BeautyWorld Saudi Arabia: California

Pavilion. GO-Biz. May 18–20. [See flyer](#). Tricia.Utterback@gobiz.ca.gov.

Asia Tech x Singapore: California Pavilion. GO-Biz. May 20–22, Singapore. [Learn more](#).

Sri Lanka Expo 2026. Sri Lanka Export Development Board. June 18–21, Sri Lanka. [Event website](#).

Farnborough Airshow. GO-Biz to lead delegation of economic developers. July 20–24, London, United Kingdom. [Event website](#).

Semicon Taiwan: California Pavilion. GO-Biz. September 1–4, Taipei, Taiwan. Up to 8 California small businesses in semiconductor supply chain invited to apply. [See flyer](#).

Aquatech: California Pavilion. GO-Biz with U.S. Commercial Service. September 1–3, Mexico City, Mexico. Registration deadline: June 1 or until spaces are filled. [See flyer](#).



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