

ALERT

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Governor's Veto Stops Remaining 'Job Killers'

Action Continues to Protect California Economy

Governor Arnold Schwarzenegger has vetoed all 12 "job killer" bills passed by the Legislature this year.

"From day one in office, Governor Schwarzenegger has demonstrated his commitment to protecting California's economy and encouraging job creation," said CalChamber President Allan Zaremberg.

"The Governor continues to veto bills that would have placed California's competitiveness in peril. If these 'job killers' had been signed into law, small and large employers throughout the state would be feeling the pain today.

"As we struggle with the fallout of a national housing market crisis, Governor Schwarzenegger's action to sustain California's strong economy shows great leadership."

Since taking office, Governor Schwarzenegger has vetoed more than 90 percent of the "job killer" bills the Legislature approved.

Below is a summary of the "job killer" bills that Governor Schwarzenegger vetoed this year:

Barriers to Affordable Housing

● **AB 35 (Ruskin; D-Redwood City) Increased Construction Costs.** Established an isolated process by which a minimum level of "green building" standards are set by a private entity, thereby excluding any public review or input. The measure also created conflicts

and confusion with existing and proposed building codes.

● **AB 888 (Lieu; D-Torrance) Increased Construction Costs.**

Made it extremely difficult for small businesses to compete by establishing an arbitrary definition of "commercial." The bill also created conflicts and confusion with existing and proposed building codes and established an isolated process by which a minimum level of "green building" standards are set by a private entity, thereby excluding any public review or input.

● **AB 1058 (Laird; D-Santa Cruz) Increased Construction Costs.** Added significant costs to housing purchase as well as rental affordability by requiring the Department of Housing and Community Development to use the most stringent provisions of five sets of national "green building" guidelines as a basis for developing California's mandatory "green building" standards. The bill also caused confusion by establishing a multiple-state agency quasi-regulatory authority for developing "green building" standards.

Costly Workplace Mandates

● **AB 8 (Núñez; D-Los Angeles) Health Care Tax on Employers.** Imposed a tax on small employers who can't afford to provide health care coverage, to fund health care coverage for those who don't currently purchase it.

See Governor's Veto: Page 4



Roadwork Begins Using Voter-Backed Proposition 1B Funds

Work began this week on the first project funded by Proposition 1B, the infrastructure bond measure approved by voters last fall with strong support by the Governor and the California Chamber of Commerce.

Governor Arnold Schwarzenegger attended the October 15 groundbreaking ceremony for the project, which will ease traffic congestion in North San Diego County.

Infrastructure Essential

CalChamber President Allan Zaremberg welcomed the start of the \$168 million project:

"An effective infrastructure network, including a transportation system that efficiently moves people, goods and services, is essential to California's economic prosperity and quality of life," Zaremberg said.

"Infrastructure improvements like the Interstate 5 High Occupancy Vehicle Lane Extension and Loma Santa Fe Interchange are important first steps in addressing the state's backlogged transportation needs with monies appropriated from Proposition 1B," he said.

"Over the past weekend, the tragic accident that resulted in the closure of I-5 clearly demonstrates the ties between

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on Major Business Bills:
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Cal/OSHA Corner

Wage Orders Generally Require Break Area for Employees



Mel Davis
Cal/OSHA Advisor

Must I provide a break area or room for my employees?

Yes, unless your business is subject to one of the wage orders without such a requirement.

The state Industrial Welfare Commis-

sion (IWC) has developed, adopted and published 16 wage orders that detail how employers are to handle wages, hours and working conditions.

Wage Orders

The wage orders cover providing for and the use of changing rooms and resting facilities — which by definition includes break rooms. The wage orders also state that a resting facility is to be in an area separate from toilet rooms.

The wage orders address all industries, such as manufacturing, office and clerical occupations, agriculture, food preparation, construction and mining, to name just a few. Employers must post the appropriate wage order on site in a conspicuous location where employees can readily see and read it.

Not all wage orders include a requirement for a resting facility. Wage Order 16 (construction, drilling, logging and mining) and Wage Order 14 (agriculture) do not require that employers provide a resting facility.

The resting facility requirement states: "Suitable resting facilities shall be provided in an area separate from the toilet rooms and shall be available to employees during work hours." The requirement is deliberately vague to provide the employer the latitude to address the specific facility needs of employees in each workplace.

Exemption

The IWC has included an exemption, which permits the Division of Labor Standards Enforcement (DLSE), at its discretion, to grant an exemption if enforcing the change rooms and resting facilities requirements "would not materially affect the welfare or comfort of employees and would work an undue hardship on the employer...."

Any exemptions must be in writing to be effective and may be revoked after the employer gives reasonable written notice. Application for an exemption may be made by the employer or by an employee and/or the representative of an employee, in writing to the DLSE. A copy of the application must be posted at the place of employment at the time the application is filed with DLSE.

For an overview on wage orders, visit www.hrcalifornia.com. Wage orders may be downloaded or ordered from the IWC at www.dir.ca.gov/IWC/iwc.html.

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. 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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Ann A. Amioka

Ann Amioka
Vice President, Communications
September 14, 2007



Small Business Advocate of Year Award

Banker Makes Voice of Workforce Heard on Local, National Levels

Jamil Dada has a day job.

And if you added up all of his outside work, it's enough for a morning job, a night job and a weekend job, as well.

In addition to his work as vice president of investment services with Provident Bank, Riverside County's largest community bank, Dada, a winner of the California Chamber of Commerce Small Business Advocate of the Year Award, holds a multitude of civic positions within his community, the state and the country.

Locally, Dada serves as chairman of the Riverside County Workforce Development Board, which focuses on a region he says has experienced 40 percent population growth in the last eight years and links resources, people, businesses and education in the workforce.

He is an executive committee member of Governor Arnold Schwarzenegger's California Workforce Investment Board, a panel that advises the Governor on policies related to business, employment, training, education and other facets of building a solid workforce for the state. Dada serves as chairman of the business and industry committee for the board.

And Dada is vice president of the National Association of Workforce Boards in Washington, D.C., an organization representing 600 local workforce boards and 50 state workforce boards across the country.

History of Advocacy

Wearing these hats has helped to strengthen Dada's long history of advocacy work in education, labor and the military. He is a former president of the Moreno Valley Chamber of Commerce and continues to serve on its board; he also works closely with the Greater Riverside Chambers of Commerce, and said the communities he works with are all very involved in business advocacy.

Oscar Valdepeña, executive director of the Moreno Valley Chamber, said Dada has been a strong force in advocacy for the community.

"He has always risen to the occasion when the issues pertained to the workforce, small business, education or military within our community," Valdepeña said. "He has taken the lead many times to draw up support or opposition to measures that would greatly impact the way businesses can operate and do business."

Dada also serves on the Moreno Valley Chamber's legislative action committee, staying up-to-date on legislative action and informing businesspeople why it is important to take a stand on measures or issues that may affect them.

Getting Involved

Dada has 20 years of advocacy experience, beginning when he moved to Riverside County and got involved with the Greater Riverside Chambers military affairs committee and economic development committee. Dada credits his family's background in business for inspiring him to be politically active.

"Business is in my blood and runs in my veins," Dada said. "I am a business person by birth. I'm grateful to be living in the greatest nation in the world, so I asked what I could do to do my part."

Dada said his work in advocacy helps him to succeed in all other areas of his life. "If you give unselfishly, it feels good, and if you feel good, you perform better," he said. "It makes you effective in everything else."

It doesn't come without challenges, however, Dada said. Much of his work is advocating for more funding for California's workforce — an area where there is a lot of competition. One of Dada's current issues is working to allocate more funding for the state's workforce board. He said California is the last on the list of states getting money back for what it puts in.

"Everybody wants the few dollars that are there, and everyone has needs and shows up and says that they need it," Dada said. "To get somebody's ear, to really make a good point and a good case, is a challenge."

Working for Workforce

Dada's role on the executive committee of Schwarzenegger's workforce investment board keeps him focused on smoothing the transition between education and the work field. He said one of the top three issues at virtually every chamber of commerce is the shortage of skilled workers.

"I think what's missing is that the private sector is not as involved as they should be," Dada said. "Businesspeople are busy. They aren't getting as engaged



Jamil Dada

as they should be because they aren't seeing any benefits."

Dada uses his efforts with California's workforce investment board to strengthen his work with the National Association of Workforce Boards, which he serves as vice president.

His next challenge is working in Washington after the 2008 election. He said that regardless of who takes office as president, he is looking forward to promoting support for education and workforce development.

"My biggest challenge is to get in there early," he said. "Everyone is going to show up at the doorstep a week after the new president is sworn in and everyone will have their hand outstretched. I intend to have my tin cup out there for the workforce and education."

Dada is working toward reauthorizing the federal workforce investment act. What is needed, he said, is to recreate the system for delivering the workforce dollars and supporting the local workforce boards, which he said officials are beginning to look at.

He is working to "make a lot of noise" with elected officials and the U.S. House Labor and Education Committee to communicate the need for improvement in the system.

Dada travels to Washington, D.C., several times a year, a benefit to advocating for these changes. He said part of his success is getting to see decision makers face-to-face and telling the story directly.

"[Advocacy is] like being an artist. You've got a palette, with all these different colors on it," Dada said. "You just have to put it on the canvas the right way. The numbers are there, and you have to put them together the right way to paint the right picture."

Governor's Veto Stops Remaining 'Job Killers'

From Page 1

● **AB 504 (Swanson; D-Oakland) Mandatory Payments for Striking Employees.** Forced employers to pay striking employees by creating a new definition of lockout that requires an employer to pay restitution to employees.

● **SB 180 (Migden; D-San Francisco)/ SB 650 (Migden; D-San Francisco) Increased Agricultural Costs.** Hurt competitiveness of California agriculture producers, driving businesses out of state, killing jobs and increasing loss of farmland, by artificially increasing labor costs for California producers who must compete in a global market with lower-than-average operating costs; removed secret ballot election requirement for union representation and prohibited employer communication with employees. SB 650 would have sunset after five years.

● **SB 622 (Padilla; D-Pacoima) Independent Contractors.** Created a new excuse to sue employers and exposed them to excessive new penalties for "willful misclassification" of independent contractors without providing a clear roadmap for employers to comply.

● **SB 936 (Perata; D-Oakland) Roll Back of Cost-Saving Workers' Compensation Reforms.** Increased the cost of hiring and keeping employees by rolling back historic reforms and doubling permanent disability costs in California's workers' compensation system.

● **SB 942 (Migden; D-San Francisco) Increased Workers' Compensation Costs.** Altered the rules for return-to-work and the provision of Supplemental Job Displacement Voucher benefits in workers' compensation to require that employers provide the injured worker with a job voucher before they know the amount of the benefit that is due to the injured worker, and provided no avenue to recoup costs if the benefit provided was more than that to which the injured worker was actually entitled.

Fuel Price Increases

● **SB 210 (Kehoe; D-San Diego) Restrictive Fuel Standard.** Interfered with the development of a competitive alternative fuels market and threatened job creation in California by creating a costly Low Carbon Fuel Standard that conflicted with the existing standard created by

Governor's Executive Order S-7-04.

Inflated Liability Costs

● **SB 93 (Corbett; D-San Leandro).** Artificially inflated medical damage awards in third party liability cases by not allowing judges to consider the actual cost of medical expenses as evidence, ultimately increasing, not only legal costs, but also rates for auto and general liability insurance. The veto message was issued on October 5.

Past 'Job Killers'

In previous years, Governor Schwarzenegger has vetoed CalChamber-identified "job killer" bills that reached his desk as follows:

● 2006 — nine of 11 "job killer" bills vetoed;

● 2005 — seven of eight "job killer" bills vetoed;

● 2004 — 10 out of 10 "job killer" bills vetoed.

For more information on the "job killer" bills, visit www.calchamber.com/jobkillers.

Staff Contact: Jeanne Cain

Roadwork Begins Using Voter-Backed Proposition 1B Funds

From Page 1

California's highway system and California's economy. California businesses congratulate Governor Schwarzenegger for his leadership and the people of California will be forever grateful for his commitment to reducing traffic congestion and improving communities."

More than half the project funds will come from the state Department of Transportation, local TransNet funds and the city of San Diego. Proposition 1B will provide \$82 million in funding.

Congestion Relief

The I-5 Lomas Santa Fe Interchange Project will extend the existing HOV lane in each direction from the south of Via de la Valle to just south of Manchester Avenue and modify the Lomas Santa Fe Drive interchange.

When completed, the project is expected to relieve freeway congestion by

allowing carpools to continue through the Via de la Valle, which experiences heavy daily traffic. The Governor said the additional carpool lanes will cut congestion by 20 percent.

Two new loop-style on-ramps will be added to the Lomas Santa Fe Drive interchange to allow motorist access onto the freeway from either direction. The new ramps will eliminate the left turns to the on-ramps that frequently cause congestion on city streets. The project is part of a plan to construct eight miles of HOV lanes from the Mira Mesa Boulevard area on Interstate 805 and Manchester Avenue on I-5.

The segment from Via de la Valle to Manchester is one of the most heavily used portions of the I-5 corridor with more than 230,000 vehicles a day using the freeway. Traffic along this segment of I-5 increases during the summer due to activities at the Del Mar Fairgrounds.

Construction began in September and is expected to take about 18 months to complete.

**Staff Contacts: Dave Ackerman
Jason Schmelzer**

Seminars/Trade Shows

Business Resources

Microsoft Across America Truck. Cal Net Technology Group. November 8, Woodland Hills. (818) 701-5753.

**Next Alert:
November 2**

Final Status Report on Major Business Bills

The following list summarizes the final status of top priority bills for the California Chamber of Commerce that were sent to the Governor this year.

At the federal level, the free trade agreements were still pending in Con-

gress and therefore are not listed below.

On November 2, the CalChamber will publish a record of legislators' votes on key bills affecting California's business climate. Generally, the bills selected for the vote record have appeared in one of

the status reports.

A bill listing a chapter number has been signed by the Governor and will become law on January 1, 2008.

Status of bills as of October 15, 2007.

| Subject and Bill — CalChamber Position | Status |
|--|-------------|
| Agriculture and Natural Resources | |
| Livestock Transport. SB 773 (Wiggins; D-Santa Rosa) reduces costs to transport livestock by allowing longer truck trailer vehicles on certain portions of Highway 101. Support. | Chapter 440 |
| Agriculture: Freeze Losses. AJR 7 (Arambula; D-Fresno) requests the President and Congress to quickly pass federal legislation providing monetary assistance and relief to agricultural enterprises harmed by the freeze. Support. | Chapter 117 |
| Wildlife Conservation. AB 828 (Ruskin; D-Redwood City) would have potentially limited landowners' rights to use their land by requiring the Wildlife Conservation Board to determine which land is most essential as wildlife corridors and habitat linkages and making that information public. Amended to specify no new land use mandates derive from this information. Neutral. | Vetoed |
| Banking and Finance | |
| Public Utilities: Stocks and Security Transactions. AB 918 (Torrico; D-Newark) deletes outdated regulations, thereby relieving the major competitive telecommunications companies of the burden of having to seek California Public Utilities Commission approval to sell stock or issue debt. Support. | Chapter 239 |
| Climate Change | |
| Restrictive Fuel Standard. SB 210 (Kehoe; D-San Diego) interferes with the development of a competitive alternative fuels market and threatens job creation in California by creating a costly Low Carbon Fuel Standard that conflicts with the existing standard created by Governor's Executive Order S-7-04. Oppose/ Job Killer . | Vetoed |
| Education | |
| Student Financial Aid: Cash for College Program. AB 1540 (Bass; D-Los Angeles) helps students in need of financial aid for postsecondary education become aware of opportunities available to them through the various state and federal financial aid programs. Support. | Chapter 741 |
| Postsecondary Education: Task Force on State Workforce Needs: California Community Colleges Economic and Workforce Development Program. AB 365 (Portantino; D-La Cañada Flintridge) attempts to bring in line efficiency between postsecondary education and efforts to fill workforce development gaps. Support. | Vetoed |

| Subject and Bill — CalChamber Position | Status |
|--|-------------|
| Energy | |
| Solar Energy: Solar Water Heating and Efficiency Act of 2007. AB 1470 (Huffman; D-San Rafael) creates a pilot solar thermal system program to allow participating agencies to analyze the appropriate costs and benefits for residential homes in the state. No Position. | Chapter 536 |
| Environmental Regulation | |
| Children's Products: Phthalates. AB 1108 (Ma; D-San Francisco) harms the California economy by prohibiting the manufacture, sale or distribution of children's products containing certain concentrations of phthalates without scientific evidence the chemicals are harmful. Oppose. | Chapter 672 |
| Hazardous Waste: Santa Susana Field Laboratory. SB 990 (Kuehl; D-Santa Monica) overrules local land use decisions by prohibiting the sale, lease, sublease or other transfer of any land presently or formerly occupied by the Santa Susana Field Laboratory until the Director of Toxic Substances Control certifies that the land has undergone complete remediation of chemical and radioactive contamination. Oppose. | Chapter 729 |
| California Toxic Release Inventory Program. AB 833 (Ruskin; D-Redwood City) increases costs to do business in California with no additional public benefit by creating the California Toxic Release Inventory Program to take effect in the event that the federal Emergency Planning and Community Right-to-Know Act of 1986 is made less stringent either through legislation or regulation. Oppose. | Chapter 616 |
| Electronic Waste. AB 546 (Brownley; D-Santa Monica), before amendments, would have made computers more expensive by imposing a \$10 fee on the sale of CPU towers in order to pay for recycling programs that focus on e-waste. Neutral. | Vetoed |
| Hazardous Waste: Electronic Devices. AB 48 (Saldaña; D-San Diego) increases the cost of consumer electronics by expanding the current e-waste laws. Oppose. | Vetoed |
| Hazardous Waste: Civil Penalty. AB 1371 (Ruskin; D-Redwood City) originally expanded liability on businesses when they contract with another company to handle their waste. Amended to remove CalChamber opposition. No Position. | Chapter 705 |
| Hazardous Substances: Water Quality. AB 422 (Hancock; D-Berkeley) was amended to remove opposition by changing the requirement for corrective action taken in the event of an unauthorized release from an underground storage tank. Neutral. | Chapter 597 |
| Discharge of Hazardous Substance, Sewage or Other Waste: Notification. AB 800 (Lieu; D-Torrance), before amendments to remove opposition, increased penalties for failure to notify proper authorities for any person who causes or permits any sewage or other waste to be discharged in or on any waters in the state. No Position. | Chapter 371 |
| Energy Resources: Lighting Efficiency: Hazardous Waste. AB 1109 (Huffman; D-San Rafael) Amended to study the most effective methods for collecting and recycling end-of-life light bulbs. Amended to remove opposition. Neutral. | Chapter 534 |
| Hazardous Materials: Administrative: Penalties: Liability. AB 1098 (Saldaña; D-San Diego) alters how administrative penalties are determined for violation of required business plans relating to the handling and release of hazardous materials. Amended to remove CalChamber opposition. No Position. | Chapter 623 |
| Diesel Vehicles and Engines: Healthy Heart and Lung Act. AB 233 (Jones; D-Sacramento) increases fines for violations of current diesel vehicle idling restrictions from a minimum of \$100 to a minimum of \$300. No Position. | Chapter 592 |

| Subject and Bill — CalChamber Position | Status |
|--|-------------|
| Health | |
| Health Care Tax on Employers. AB 8 (Núñez; D-Los Angeles) imposes a tax on small employers who can't afford to provide health care coverage, to fund health care coverage for those who don't currently purchase it. Oppose/ Job Killer . | Vetoed |
| Mental Health Services. AB 423 (Beall; D-San Jose) increases health care premiums by mandating that health plans and insurers provide parity coverage for all of the over 400 mental disorders identified in the latest Diagnostic and Statistical Manual of Mental Disorders. Oppose. | Vetoed |
| Cost Shift. AB 1324 (De La Torre; D-South Gate) shifts more cost of the uninsured to employers by requiring health plans to pay for employee medical services when they are no longer covered by the plan. Oppose. | Chapter 702 |
| Employer Coverage: Disclosure. AB 343 (Solorio; D-Santa Ana) creates "List of Shame" for employers with 25 or more employees who employ individuals who are beneficiaries or who support beneficiaries of public health programs. Oppose. | Vetoed |
| Housing and Land Use | |
| Increased Construction Costs. AB 888 (Lieu; D-Torrance) makes it extremely difficult for small businesses to compete by establishing an arbitrary definition of "commercial." The bill also creates conflicts and confusion with existing and proposed building codes and establishes an isolated process by which a minimum level of "green building" standards are set by a private entity, thereby excluding any public review or input. Oppose/ Job Killer . | Vetoed |
| Increased Construction Costs. AB 1058 (Laird; D-Santa Cruz) adds significant costs to housing purchase as well as rental affordability by requiring the Department of Housing and Community Development to use the most stringent provisions of five sets of national "green building" guidelines as a basis for developing California's mandatory "green building" standards. The bill also causes confusion by establishing a multiple-state agency quasi-regulatory authority for developing "green building" standards. Oppose/ Job Killer . | Vetoed |
| Increased Construction Costs. AB 35 (Ruskin; D-Redwood City) establishes an isolated process by which a minimum level of "green building" standards are set by a private entity, thereby excluding any public review or input. The measure also creates conflicts and confusion with existing and proposed building codes. Oppose/ Job Killer . | Vetoed |
| Industrial Safety and Health | |
| Indoor Heat Regulations. AB 1045 (Richardson; D-Long Beach) is unwarranted attempt to bypass the effective process and statutory authority of the California Occupational Safety and Health Standards Board and the Division of Occupational Safety and Health to develop and adopt standards regulating exposure to excessive indoor heat. Oppose. | Vetoed |
| Insurance | |
| Insurance Fraud: Assessments. AB 1401 (Aghazarian; R-Stockton) will help to fill 22 vacant fraud investigator positions at the Department of Insurance by changing the annual special purpose assessment on insurers. Support. | Chapter 335 |

| Subject and Bill — CalChamber Position | Status |
|---|-------------|
| California Earthquake Authority. SB 430 (Machado; D-Linden) creates a New Industry Assessment Layer in the California Earthquake Authority's financial structure that will allow the CEA to continue to provide earthquake coverage to California homeowners with the assurance of adequate reserves in the event of major catastrophic losses to those policyholders. Support. | Chapter 303 |
| Labor and Employment | |
| Independent Contractors. SB 622 (Padilla; D-Pacoima) creates a new excuse to sue employers and exposes them to excessive new penalties for "willful misclassification" of independent contractors without providing a clear roadmap for employers to comply. Oppose/ Job Killer . | Vetoed |
| Mandatory Payments for Striking Employees. AB 504 (Swanson; D-Oakland) forces employers to pay striking employees by creating a new definition of lockout that requires an employer to pay restitution to employees. Oppose/ Job Killer . | Vetoed |
| Increased Agricultural Costs. SB 180 (Migden; D-San Francisco)/SB 650 (Migden; D-San Francisco) hurts competitiveness of California agriculture producers, driving businesses out of state, killing jobs and increasing loss of farmland, by artificially increasing labor costs for California producers who must compete in a global market with lower-than-average operating costs; removes secret ballot election requirement for union representation and prohibits employer communication with employees. SB 650 sunsets after five years. Oppose/ Job Killer . | Vetoed |
| Family and Medical Leave. AB 537 (Swanson; D-Oakland) proposes to increase the cost of doing business due to expanded protected leave for employees that employers must grant regardless of business necessity. Oppose. | Vetoed |
| Personnel Records. AB 1707 (Committee on Labor and Employment) unreasonably expands employee access to personnel records and establishes new employer liability for providing access to and copies of personnel records. Oppose. | Vetoed |
| Wage Discrimination. AB 435 (Brownley; D-Santa Monica) increases employer exposure to untimely lawsuits and imposes unwarranted and unreasonable requirements for maintaining all wage-and-hour paperwork. Oppose. | Vetoed |
| Bereavement Leave. SB 549 (Corbett; D-San Leandro) unreasonably expands employer's liability for a new protected bereavement leave for employees. Oppose. | Vetoed |
| Familial Status. SB 836 (Kuehl; D-Santa Monica) unnecessarily creates a vague and expansive new basis for employer liability under the Fair Employment and Housing Act by adding "familial status" to the list of classes protected from employment discrimination. Oppose. | Vetoed |
| Labor Contractors. AB 377 (Arambula; D-Fresno) inappropriately creates joint liability for farmers by requiring farm labor contractors to print on the pay stubs they provide to their employees names and addresses of up to five of the persons who contracted with the farm labor contractor. Oppose. | Vetoed |
| Temporary Services Employees: Wages. AB 1710 (Swanson; D-Oakland) exposes employers to joint and several liability for workers' compensation with temporary staffing agencies while proposing to resolve terminal pay timing for employees of temporary staffing agencies. Oppose. | Vetoed |
| Legal Protection and Reform | |
| Inflated Liability Costs. SB 93 (Corbett; D-San Leandro) artificially inflates medical damage awards in third party liability cases by not allowing judges to consider the actual cost of medical expenses as evidence, ultimately increasing, not only legal costs, but also rates for auto and general liability insurance. Oppose/ Job Killer . | Vetoed |

| Subject and Bill — CalChamber Position | Status |
|---|-------------|
| Retail Sales: Rebates. AB 1673 (Feuer; D-Los Angeles) harms consumers by discouraging retailers from offering manufacturers' rebates. Oppose. | Vetoed |
| Employment Contracts. AB 1043 (Swanson; D-Oakland) sets a bad precedent for statutory interference with employment contracts and discourages companies from offering employment in California by unnecessarily restricting contract terms. Oppose. | Vetoed |
| Compensation Recovery Actions: Liquidated Damages. AB 448 (Arambula; D-Fresno) harms small employers by allowing a new form of damages to be awarded against them in administrative minimum wage claims, above and beyond significant penalties in current law. Oppose. | Vetoed |
| Unfair Competition: Actions by City Attorneys. SB 376 (Migden; D-San Francisco) inappropriately carves out exceptions to existing business defenses under the unfair competition law by authorizing San Francisco district attorney to prosecute unfair competition claims. Oppose. | Chapter 17 |
| Lawyer Trust Accounts. AB 1723 (Committee on Judiciary) allows higher-paying investment products to be used for lawyer trust accounts, resulting in greater revenue for funding legal services to the poor at no cost to the state General Fund. Support. | Chapter 422 |
| Other | |
| Tribal Gaming: Compact Ratification. SB 174 (Ducheny; D-San Diego) provides a steady revenue source for the state by ratifying a compact agreement. Support. | Chapter 38 |
| Food Labeling. SB 63 (Migden; D-San Francisco) requires food meant for human consumption containing products from a cloned animal or its progeny be labeled as specified. Requires livestock producers of cloned animals or their progeny to disclose those facts to buyers. Oppose. | Vetoed |
| Nutritional Information. SB 120 (Padilla; D-Pacoima) requires restaurant chains to provide the number/amount of calories, fat, carbohydrates and sodium for each menu item. Oppose. | Vetoed |
| Political Affairs | |
| Political Reform Act of 1974: Contribution Limits. AB 1430 (Garrick; R-Solana Beach) protects membership organizations' ability to communicate with their members about support or opposition to candidates and ballot measures. Support. | Chapter 708 |
| Privacy and Confidentiality | |
| Personal Information: State Agencies and Businesses. AB 779 (Jones; D-Sacramento) imposes onerous and unneeded data management requirements on business and creates new financial liabilities for small and medium-sized businesses accepting credit and debit cards. Oppose. | Vetoed |
| Small Business | |
| Small Business Expansion Fund. AB 610 (Price; D-Inglewood) enables Financial Development Corporations to make 50-75 more small business loans per year than under the current statutory cap without raising costs to the program. Support. | Chapter 601 |

| Subject and Bill — CalChamber Position | Status |
|--|-------------|
| Taxation | |
| Corporation Tax Law: Water's-Edge: Administration. SB 788 (Cogdill; R-Modesto) permits Franchise Tax Board to conduct audits of water's-edge election returns on a discretionary rather than mandatory basis. Support. | Chapter 306 |
| Corporation Taxes: Deductions: Interest Expense. AB 1618 (Feuer; D-Los Angeles) increases taxes by making overly broad revisions to the rules for interest expense deductions. Oppose. | Vetoed |
| Limited Liability Companies: Restriction of Taxpayer Remedies. AB 198 (Assembly Budget Committee) violates taxpayer rights by retroactively restricting taxpayer remedies in pending court litigation challenging the constitutionality of the limited liability company tax and sets a dangerous precedent for taxpayer challenges of other tax laws and the Legislature's continued passage of unconstitutional tax laws. Oppose. | Chapter 381 |
| Tax Penalty Increase. AB 843 (Eng; D-Monterey Park) imposes an unwarranted penalty increase from \$2,500 to \$10,000 for mere unintentional failures of business taxpayers to provide change of ownership forms or information. Oppose. | Vetoed |
| Disaster Relief. SB 114 (Florez; D-Shafter) provides tax relief to help farm owners survive severe crop losses as a result of the January 2007 freeze. Support. | Chapter 223 |
| Freeze Relief: Newly Planted Trees. AB 297 (Maze; R-Visalia) provides property tax relief for tree farmers impacted by the January 2007 freeze. Support. | Chapter 225 |
| Enterprise Zones: Environmental Impact Reports. SB 341 (Lowenthal; D-Long Beach) reduces the application burden for applicants for enterprise zones by requiring the filing of an environmental impact report only when necessary. Support. | Chapter 643 |
| Tax-Exempt Organizations: Administration. AB 897 (Houston; R-San Ramon) streamlines the tax filing process for non-profit corporations. Support. | Chapter 238 |
| Improvement Districts. AB 1208 (Silva; R-Huntington Beach) helps business property owners by clarifying property and business improvement district laws. Support. | Chapter 114 |
| Franchise Tax Board Administration: Notice of Proposed Deficiency. AB 1360 (Anderson; R-La Mesa) requires Franchise Tax Board to postmark notices of proposed deficiency. Support. | Chapter 281 |
| Motor Vehicle Tax. AB 878 (Davis; D-Los Angeles) imposes a motor vehicle tax disguised as a fee in order to fund motor vehicle theft enforcement. Oppose. | Vetoed |
| Water Supply and Quality | |
| Housing Development Restrictions. AB 5 (Wolk; D-Davis) renames the Reclamation Board and prohibits the Department of Water Resources from overturning a board action. Authorizes the board to acquire land for flood protection. Changes the board membership and requires it to produce a flood control system status report. Amended to remove CalChamber opposition. Neutral/ Former Job Killer. | Chapter 366 |
| Housing Development Restrictions. AB 70 (Jones; D-Sacramento) slows development of housing by imposing joint liability on cities and counties for any flood damage, if they unreasonably permit housing in undeveloped areas that are protected by a state flood control project. Oppose/ Former Job Killer. | Chapter 367 |

| Subject and Bill — CalChamber Position | Status |
|--|-------------|
| Vended Water. SB 220 (Corbett; D-San Leandro) increases costs to bottled water industry by requiring additional information on bottles. Oppose. | Chapter 575 |
| Bottled Drinking Water. AB 1521 (Salas; D-Chula Vista) increases costs to bottled water industry by requiring additional information on bottles. Oppose. | Vetoed |
| Regional Water Quality Control Boards: Membership. SB 1001 (Perata; D-Oakland) makes regional water boards less accountable to the public by changing their membership. Imposes new procedures that set up an adversarial relationship between the state board and the regional boards, thereby limiting their effectiveness. Oppose. | Vetoed |
| Workers' Compensation | |
| Roll Back of Cost-Saving Workers' Compensation Reforms. SB 936 (Perata; D-Oakland) increases the cost of hiring and keeping employees by rolling back historic reforms and doubling permanent disability costs in California's workers' compensation system. Oppose/ Job Killer . | Vetoed |
| Increased Workers' Compensation Costs. SB 942 (Migden; D-San Francisco) alters the rules for return-to-work and the provision of Supplemental Job Displacement Voucher benefits in workers' compensation to require that employers provide the injured worker with a job voucher before they know the amount of the benefit that is due to the injured worker, and provides no avenue to recoup costs if the benefit provided was more than that to which the injured worker was actually entitled. Oppose/ Job Killer . | Vetoed |
| Temporary Disability Benefits. AB 338 (Coto; D-San Jose), as amended to bring CalChamber in support, resolves a problem in current law in a way that maintains the cost savings created by the 2004 reforms (SB 899 - Poochigian; R-Fresno) by maintaining the current 104-week cap on temporary disability benefits, while allowing injured workers to receive those benefits within five years from the date of injury. Support/ Former Job Killer . | Chapter 595 |
| Permanent Disability Benefit Increase. AB 1212 (Núñez; D-Los Angeles) originally increased workers' compensation costs by requiring the Division of Workers' Compensation to promulgate regulations to increase permanent disability benefits by January 1, 2009. Gutted and amended in the final days of the session to deal with a tribal gaming compact. No Position. | Chapter 227 |
| Supplemental Job Displacement Benefits. AB 1636 (Mendoza; D-Artesia) raises workers' compensation costs by allowing injured workers to be eligible for supplemental job displacement vouchers prior to a final determination of a permanent disability rating. Oppose. | Vetoed |
| Medical Treatment Utilization Schedule. AB 1073 (Nava; D-Santa Barbara) increases workers' compensation costs by altering the caps on physical therapy, occupational therapy and chiropractic care. Oppose. | Chapter 621 |
| Inpatient Burn Diagnoses: Reimbursement Review. AB 1269 (Hernandez; D-La Puente) circumvents the regulatory process by requiring the Division of Workers' Compensation to increase reimbursements for inpatient burn diagnoses treatment. Oppose. | Chapter 697 |
| Audits. AB 812 (Hernandez; D-La Puente) combats fraud by allowing insurers to penalize employers that do not comply with requirements to allow audits to verify payroll for purposes of calculating premium. Support. | Chapter 615 |
| Insurance. SB 316 (Yee; D-San Francisco) eliminates a redundancy reserve requirement by deleting provisions in current law that require insurers to maintain certain minimum reserves for outstanding losses and loss expenses for each of the most recent three years for workers' compensation and other lines. Support. | Chapter 431 |

Governor Signs Workers' Compensation Solution



SUPPORT

Governor Arnold Schwarzenegger has signed a California Chamber of Commerce-**supported** bill that takes a balanced approach to resolving a real and tangible

problem in the workers' compensation system.

AB 338 (Coto; D-San Jose) resolves a problem in current law relating to the 104-week cap on temporary disability benefits by amending the "window" in which injured workers are eligible for benefits.

Before the amendments resulting from affected stakeholders and legislators working together to resolve system issues, the CalChamber had identified AB 338 as a "job killer" bill that would have undermined workers' compensation reforms. The previous version of AB 338 would have increased temporary disability costs in workers' compensation claims by increasing the number of weeks benefits can be paid and by creating a disincentive to use utilization review to enforce medical treatment guidelines.

Remedy

Current law caps an injured worker's eligibility for temporary disability benefits at 104 weeks. Due to an unintended interpretation of current law, however, the cap serves as a disincentive to return to work and may financially harm legitimately injured workers.

The problem arises from an interpretation that the current cap creates a 104-week window in which injured workers are eligible for temporary disability benefits. Under this interpretation, an injured worker could return to work after even one day of payable temporary disability and that injured worker's eligibility to receive benefits under the cap would continue to decrease.

AB 338 instead states that an injured worker is eligible to receive 104 weeks of temporary disability within five years of the date of injury.

The solution under AB 338 promotes return to work in an equitable way by allowing 104 weeks of aggregate benefits within five years of the date of injury. This gives injured workers adequate time to obtain needed treatment, including

surgery, and return to work after recovery. The approach maintains the 104-week cap that has proved to be vitally important in speeding the claims process and improving return-to-work rates.

Court Case

AB 338 also addresses an issue presented by a recent court case, *Valeri Hawkins v. Amberwood Products and SCIF*, that would result in an employer owing more than 104 weeks of temporary disability payments under some circumstances. In this case the court found that the 104-week cap applied only to benefits after the date the first payment was made.

The case provides a disincentive to contest questionable claims. For example, if an employer contests a claim and the issue is not adjudicated for one year, the employer would be liable for a full year of temporary disability outside of the 104-week cap.

AB 338 resolves this problem by reversing the judicial weakening of the cap and ensuring employers are not punished for contesting questionable claims.

Staff Contact: Jason Schmelzer

Governor Signs CalChamber-Supported Bills to Aid Farmers



SUPPORT

Governor Arnold Schwarzenegger has signed two California Chamber of Commerce-**supported** bills that will provide relief for farmers affected by the freeze that hit the

state in January.

• **AB 297 (Maze; R-Visalia)** provides a limited property tax exemption for fruit- and nut-bearing trees that were severely damaged by the January freeze.

• **SB 114 (Flores; D-Shafter)** provides income and property tax relief for those family farmers, businesses and local governments that suffered losses as a result of the January freeze.

SB 114 applies to the 18 counties for which Governor Schwarzenegger proclaimed a state of emergency: El Dorado, Fresno, Imperial, Kern, Kings, Madiera, Merced, Monterey, Riverside, San

Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa Clara, Stanislaus, Tulare, Ventura and Yuba.

California's agriculture industry is a crucial and significant contributor to this state's economy, generating about \$32 billion in direct farm sales in 2004, according to the latest figures available from the California Department of Food and Agriculture. Food crop sales accounted for \$19.87 billion of this amount. California's agricultural exports were \$8.2 billion in 2005 — 14 percent of all

U.S. agricultural exports.

January's freeze is reported to have caused \$1.32 billion in losses, with thousands of workers losing their jobs. Fruit and nut tree crops accounted for more than 70 percent of these losses — around \$947.4 million.

Providing relief through temporary changes in the tax structure will help farmers and ranchers and their employees and communities to recover from these losses.

Staff Contact: Kyla Christoffersen

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Calendars**

**California Business
Legislative Summit**
May 20-21, 2008

CalChamber in Court

CalChamber Petitions State Supreme Court to Clarify Trespassing, Nuisance Laws

The California Chamber of Commerce has petitioned the California Supreme Court to review a case to clarify several important areas of trespass and nuisance law.

The CalChamber is concerned about the substantial adverse impact the court of appeal decision in the case of *Starrh and Starrh Cotton Growers v. Aera*

Energy LLC will have on California businesses.



in damages. At trial, the plaintiff requested more than \$6 billion in damages; however, the jury awarded the plaintiff only \$7 million.

In reaching its decision, the court of appeal stepped away from settled law and created a new test for determining when a trespass is barred by the statute of limitations. The result could be a substantial increase in the amount of damages plaintiffs may claim in similar trespass actions.

CalChamber Petition

The CalChamber believes that the court of appeal decision provides additional incentives to file trespass and nuisance lawsuits with the hope of striking an unwarranted economic windfall where there may have been little or no harm. Moreover, the decision exposes businesses throughout the state to potentially huge abatement and other damages awards that bear no reasonable relationship to the harm that has occurred.

The classification of a trespass or nuisance as permanent or continuing has enormous consequences, not only for the parties, but also for the courts, businesses and the public at large, all of whom are interested in the certainty of clear tests and standards, reasonableness, fairness and judicial economy.

The court of appeal decision failed to apply the Supreme Court's easily under-

stood, easily applied and inherently sensible "reasonably abatable" test to classify a trespass as permanent or continuing, the CalChamber wrote.

The CalChamber believes that the court of appeal decision, unless it is reviewed and reversed by the Supreme Court, will have a wide-ranging, adverse impact on the hundreds of trespass and nuisance cases that are filed every year throughout the state.

The parties in these cases will not know what test will be used to classify the trespass or nuisance as permanent or continuing for statute of limitations and damages purposes, and will not know whether a claim is time-barred, or what the potential damages might be. This will lead to more litigation, with increased costs for the parties and burdens on the courts. Moreover, different cases with similar facts may have entirely different results because the lower courts used different tests.

This type of uncertainty and confusion in the law adds enormous costs to businesses of every size in deciding what operations and activities to engage in, as well as how to assess potential liability and damages in defending and settling lawsuits.

The court of appeal decision will encourage plaintiffs to file lawsuits that they otherwise would not file to leverage potential damage awards or settlements that bear no reasonable relationship to the economic harm suffered by the plaintiff, the CalChamber explained in its letter.

Staff Contact: Erika Frank

Call for Clarity

The CalChamber is urging the state Supreme Court to make clear for parties and the lower courts that "reasonable abatability" is the test that determines whether a trespass or nuisance is permanent or continuing for both the statute of limitations and damages, regardless of any other tests or factors that the court of appeal erroneously relied on in its decision.

California businesses, both small and large, engage in numerous activities and operations as a necessary part of their routine business that may expose them to trespass and nuisance lawsuits. Such lawsuits are extremely common and become more routine every year.

The 5th District Court of Appeal reversed a judgment on a claim for trespass and damages and remanded the case for a retrial, allowing the plaintiff to ask the jury to award possibly billions of dollars

CalChamber Program Gives Members Access to Research Library

The California Chamber of Commerce has joined with Aberdeen Group to bring CalChamber members access to analysis, market-moving news and vertical insights.

The one-year complimentary membership to Aberdeen Access is valued at \$995 per user and opens to CalChamber members the full breadth of Aberdeen's research library — a growing resource

with more than 5,500 research pieces, including benchmark reports, industry insights and key performance indicators.

CalChamber members also can review best practice strategies to find out what makes the competition tick and industry and role-based research.

A subsidiary of \$1.3 billion Harte-Hanks, Aberdeen has benchmarked hundreds of thousands of companies'

priorities for success.

The joint program with the CalChamber will enable members to anonymously benchmark their own organization's performance against the performance of Aberdeen's Best in Class enterprises.

Access to the CalChamber members-only area is located on the home page at www.hrcalifornia.com.

Visit Spotlights Continuing Abundant Trade Opportunities in Chile

Nearly four years after implementation of the U.S.-Chile Free Trade Agreement (FTA), opportunities in Chile continue to abound, according to the head of the American Chamber of Commerce in Chile.

Mateo Budinich, president of the American Chamber in Chile, stopped by the California Chamber of Commerce recently to emphasize that California companies should keep Chile in mind when planning future trade and investment projects.

Since the U.S.-Chile FTA was implemented on January 1, 2004, bilateral trade between Chile and the United States has more than doubled. The U.S.-Chile FTA is considered a template for a host of future free trade agreements, including an eventual Free Trade Area of the Americas.

Increased Trade

Two-way trade in goods between the United States and Chile rose to \$16.28 billion in 2006. Exports to Chile of petroleum, machinery and fertilizer from the United States have increased markedly.

Chile is the United States' 28th largest export partner. Top exports from Chile

to the United States include copper cathodes, fresh grapes and salmon. Top exports from the United States to Chile include transmission receptors, computers and diesel trucks.

In 2006, nearly 12,000 U.S. firms exported approximately 5,000 products to Chile. More than 2,000 Chilean firms exported as many different products to the United States.

More than 300 U.S. companies have investments in Chile, according to the American Chamber of Commerce in Chile. Of those, more than 40 use Chile as a platform for services in the region. Chilean affiliates of U.S. direct investors are estimated to employ more than 58,500 people and their value-added contributed 3.2 percent to Chile's gross domestic product.

Chile is roughly equal in size to California and home to 16 million people and renowned copper mines. Chile holds \$15.3 billion in reserves. In 2003, the Chilean economy began to recover after a 1999 slump, reaching a 3.3 percent growth in real gross domestic product (GDP). GDP grew by 4.2 percent in 2006.

Since 1990, there has been more than



Mateo Budinich, president of the American Chamber of Commerce in Chile, meets with Susanne Stirling, vice president of international affairs for the California Chamber of Commerce, to review the impacts of the U.S.-Chile Free Trade Agreement, implemented in 2004.

\$50 billion in direct foreign investment in Chile, which has the most stable and fastest-growing economy in the region. Those factors put Chile in the best position to promote democracy and political freedom. Chile has now signed 56 FTAs

See Visit: Page 15

Governor Says 'No' to Government Interference in Rebates



OPPOSE

Governor Arnold Schwarzenegger has vetoed legislation **opposed** by the California Chamber of Commerce that would have harmed consumers by discouraging retailers from offering manu-

facturers' rebates.

The Governor vetoed **AB 1673 (Feuer; D-Los Angeles)**, which would have required retailers to pay manufacturers' rebates immediately to consumers at the point of purchase.

In his veto message, the Governor noted that he vetoed legislation dealing with consumer rebates in previous years because he did not want those proposals to lead to fewer rebate options for California consumers.

Balance

"I have always believed in the balance between consumer protection and limited regulation over business operations," the Governor wrote.

A California retailer, he said "should not have to be held to the responsibilities triggered in this bill, if it does not have control over the manner in which a manufacturer's national rebate advertising campaign is structured."

The CalChamber argued that the current rebate structure gives consumers the choice to seek the price savings accessible through rebate offers, but that enactment of AB 1673 might have eliminated that choice.

Moreover, AB 1673 would have created bureaucracy for private business in California, forcing retailers to become rebate clearinghouses.

Complying would have increased costs for all retailers, especially small retailers, which are less likely than larger retailers to have the resources necessary to establish a system for processing rebates.

Consumer Power

The CalChamber has pointed out that consumers have significant power. If retailers or manufacturers do not treat customers right, customers can choose to walk away from the purchase. The CalChamber encourages consumers to use their power; to use all the tools available to them to research the best ways to save; and to patronize retailers and manufacturers that are doing things right.

Creating new government mandates, more bureaucracy and driving up costs for business — and ultimately consumers — is not the answer.

Staff Contact: Kyla Christoffersen

Costa Rica Vote Moves U.S. Closer to Central American Free Trade Pact



Costa Rica, the last remaining country to vote on the U.S.-Dominican Republic-Central American Free Trade Agreement (DR-CAFTA), recently approved the agreement in the first-ever national referendum on the issue.

Costa Rica was the only nation in the seven-member pact that had not ratified the agreement, which included the United States, Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua.

The California Chamber of Commerce-supported trade agreement will make more than 80 percent of U.S. exports entering DR-CAFTA countries duty-free immediately after taking effect, with all products having duty-free access in 10 years.

Costa Rica is beginning the process of manually recounting the election results, which will take no longer than two weeks as required by law. The final 13 bills, which are the implementation laws of CAFTA, must be approved by the electorate by March 2008 before the trade agreement can be formally adopted. Current trade preferences afforded to Costa Rica are set to expire in September 2008 and will not be renegotiated if the trade agreement is not approved.

California and CAFTA

California exports to the DR-CAFTA market totaled more than \$750 million in 2006. California is the fourth largest of state agricultural exporters to the DR-CAFTA market, and the third largest exporter of computers and electronic products to the region.

The United States and the five Central American countries share more than \$38 billion in total (two-way) trade in goods. U.S. goods exports to Central America totaled \$19.6 billion in 2006. Seventy-four percent of the U.S.-imported goods from the Central American nations enter duty-free under the Caribbean Basin Initiative and Generalized System of Preference programs. The leading U.S. exports to Central America include textiles, machinery, electrical machinery, minerals and fuels. The United States is the main supplier of goods and services to Central American economies, providing 40 percent of total goods imported.

DR-CAFTA is expected to contribute to stronger economies, the rule of law, sustainable development and more accountable institutions of governance, complementing ongoing domestic, bilateral and multilateral efforts in the region.

The U.S. International Trade Commission released a study in August 2004 on the effects of DR-CAFTA, finding that the agreement is expected to result in gains for U.S. exports, economic welfare

and market access. The DR-CAFTA is expected to increase U.S. exports worldwide by \$1.9 billion upon implementation, more than any other recent trade agreement, including Australia.

Without a DR-CAFTA in place, U.S. products face a competitive disadvantage in the region, because Central American countries have been very active in negotiating free trade agreements that do not include the United States. More than 20 trade agreements grant preferences in Central America to products from Mexico, Canada, Chile and several other South American nations.

Final Approval

The governments of El Salvador, Nicaragua, Honduras and the Dominican Republic have implemented the agreement as of March 2007.

Both the U.S. House of Representatives and the U.S. Senate voted to approve the FTA in 2005. Nineteen of California's representatives to the House voted in favor of the agreement, while 43 members voted against it. California's senators were split on the issue, with Senator Dianne Feinstein (D-San Francisco) voting "yes" and Senator Barbara Boxer (D-Greenbrae) voting "no."

President George W. Bush signed the U.S.-DR-CAFTA on August 2, 2005, giving final U.S. approval of the agreement.

Staff Contact: Susanne Stirling

Visit Spotlights Continuing Abundant Trade Opportunities in Chile

From Page 14

with various countries around the world.

Chile also is California's 28th largest export partner. In 2006, California exported more than \$600 million to Chile, including petroleum and coal products, computer and electronic products, machinery and transportation equipment. California imports from Chile include fresh fruits, forestry products, wines and seafood.

U.S.-Chile FTA

The terms of the bilateral FTA were concluded in December 2002.

The agreement with Chile was the first

U.S. FTA with a South American country. The U.S. House of Representatives and U.S. Senate passed the FTA in July 2003 by votes of 270-156 and 66-31 respectively. The votes were held under the Trade Promotion Authority, which allows for an up or down vote with an expedited time frame or "fast track." Chile also approved the agreement.

CalChamber Position

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for Califor-

nia products abroad and elimination of disincentives that impede the international competitiveness of California business. New multilateral, sectoral and regional trade agreements ensure that the United States may continue to gain access to world markets, resulting in an improved economy and additional employment of Americans.

A U.S.-Chile FTA reinforces the idea that the United States can fashion successful trade relations with developing nations. The FTA with Chile builds momentum to the ongoing effort to establish a Free Trade Area of the Americas.

Staff Contact: Susanne Stirling

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