

VOLUME 34, NUMBER 23 • JULY 25, 2008



# Court: Employer Need Only Provide Meal/Rest Break



The 4th District Court of Appeal ruled this week that state law requires only that employers provide meal periods.

The decision clarifies a point of much concern for employers: whether

the requirement to provide a meal or rest break meant employers had to force the employees to take the break.

### 'Make Available'

The court declined to make employers the enforcer, saying it agreed with the reasoning in two U.S. District Court cases and concluded that "employers need not ensure meal breaks are actually taken, but need only make them available."

The issue before the California appeals court in the case of *Brinker Restaurant Corporation et al., v. The Superior Court of San Diego County*, was whether the trial court erred in certifying the matter as a class action without first determining the elements of plaintiffs and real parties in interest against the defendants?

The appeals court ruled that the class action lawsuit should not proceed because the lower court failed to properly consider whether the plaintiffs' claims were appropriate for class treatment.

### **Court Conclusions**

The appeal court concluded that:

• Employers cannot impede, discourage or dissuade employees from taking rest periods; they need only provide, not ensure, rest periods are taken;

• Employers need only to authorize and permit rest periods every four hours or major fraction thereof and they need not, where impracticable, be in the middle of each work period;

• Employers are not required to provide a meal period for every five consecutive hours worked;

See Employer: Page 9

### Governor, Feinstein Propose Water Bond to Fund Update of State Water System *CalChamber Applauds Leadership*

Governor Arnold Schwarzenegger and U.S. Senator Dianne Feinstein have proposed a compromise plan to the Legislature to update California's water system.

The plan, announced on July 10, increases storage, improves conveyance, protects the Delta's ecosystem and promotes greater water conservation.

Following the announcement, California Chamber of Commerce President and Chief Executive Officer Allan Zaremberg applauded the leadership of the Governor and Senator Feinstein in renewing focus on the critical issue of water infrastructure and storage in California.

"CalChamber applauds the Governor's and Senator Feinstein's leadership toward solving California's long-neglected water crisis," Zaremberg said.

See Governor: Page 8

## CalChamber Supports Algebra I Testing for Middle School Students

The California Chamber of Commerce joined Governor Arnold Schwarzenegger and other business organizations earlier this month in urging the State Board of Education to adopt an Algebra I test requirement for eighth graders.

Following testimony from representatives of CalChamber, California Business for Education Excellence and other business groups, the state education board voted on July 9 to hold California eighth graders to the Algebra I testing, the highest mathematics education standard in the nation.

### **Essential Skill**

The CalChamber supported the move as necessary to maintain the state's competitiveness and overall appeal to world-class businesses with high-wage jobs. Whether students are college-bound or on a non-college path, Algebra I is essential; mastering the principles shows that student is capable of the reasoning level required for positions in the increasingly technological workplace.

The CalChamber supported the Governor's request that the education board do away with the below grade-level general mathematics test and adopt the new Algebra I testing standard. See CalChamber: Page 9

Inside

- Job Creator/'Job Killer' Vote Record: Pages 3–7
- Hearing on Sick Leave Mandate: Page 9



# Labor Law Corner Employers Have Options When Employee Faces Domestic Violence



Sunny Lee Senior Labor Law Consultant

What can we do if we know that an employee is a victim of domestic violence and other employees are concerned, but the domestic violence at home has not affected the employee's work?

Situations involving personal issues at home, whether domestic violence, drug or alcohol abuse, or family matters, may be of concern to employers and other employees.

#### **California Chamber Officers**

Edwin A. Guiles Chair

Frederick R. Ruiz First Vice Chair

Larree M. Renda Second Vice Chair

S. Shariq Yosufzai Third Vice Chair

Russell Gould Immediate Past Chair

#### Allan Zaremberg

President and Chief Executive Officer

Alert (ISSN 0882-0929) is published weekly during legislative session with exceptions by California Chamber of Commerce, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Subscription price is \$50 paid through membership dues. Periodicals Postage Paid at Sacramento, CA.

POSTMASTER: Send address changes to Alert, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Publisher: Allan Zaremberg. Executive Editor: Ann Amioka. Associate Editor: Blake Ellington. Art Director: Marcy Wacker. Graphics Assistant: Jason Untalan. Capitol Correspondent: Christine Haddon. Photographer: Aaron Lambert.

Permission granted to reprint articles if credit is given to the California Chamber of Commerce Alert, and reprint is mailed to Alert at address above.

*E-mail: alert@calchamber.com. Home page: www.calchamber.com.*  Employees often are troubled by fellow employees who are victims of domestic violence and want to help. Although employers do need to accommodate an employee who is a victim of domestic violence and seeking help, there is no legal requirement for an employer to ensure that an employee who is a domestic violence victim make use of services or protection.

### **Employee Assistance Program**

If an employer has an Employee Assistance Program (EAP) benefit, employees are able to speak privately with professional counselors about personal frustrations, anger, family, or substance abuse problems. Often it is better for an employer not to get involved in an employee's private life or be put in a position that would compromise work decisions.

The benefit of an EAP to an employer is that it provides quick access to independent professional counselors for matters beyond the expertise or resources of an employer's human resources department. EAPs employ highly trained and competent professional staff and appointments may be scheduled during working hours.

The benefit to the employee is that the employee is able to have access to a professional counselor during working hours on a no cost basis. Often, employees are not able to get the help they need because of cost or lack of time outside of work. Matters are kept confidential; all that is reported to an employer is whether the employee showed up for the appointment. If after a limited number of appointments the employee is in need of further help, the employee may be provided with other resources or referrals for follow-up.

### **Other Help**

If an EAP is not available, the employer may speak with the employee to let him/her know that while it is a private matter, you care about the employee and the human resources door is open. In addition, an employer may let the employee know about local resources available to assist, including court protection, shelters and counseling.

California law prohibits discharging or

discriminating against all employees and their children who are victims of crimes and those who seek court protection. Employers with 25 or more employees are required to provide employees who are victims of domestic violence or sexual assault with time off work for medical attention, counseling and domestic violence shelter services.

If an employee knows that he/she is in need of such services, the employee must provide the employer with reasonable advance notice, unless that is not feasible. The employee may be required to present some documentation of the need for time off — such as a police report, court papers and documentation from a counselor, medical provider or domestic violence provider — within a reasonable time. The employer must keep these matters confidential.

### Safeguards at Work

Domestic violence situations may create problems at work. Employers See Employers: Page 4

# Seminars/Trade Shows

More information: calchamber.com/events. International Trade

- NAFTA: Opportunities and Challenges. Inland International Trade Association. August 5, Sacramento. (916) 563-3200.
- The Americas Competitiveness Forum II. Secretary of Commerce Carlos Gutierrez. August 17-19, Atlanta. (404) 446-4179.
- BIS Export Regulation Course. U.S. Bureau of Industry and Security. August 20-21, Universal City. (949) 660-1688.
- International Trade Finance: Methods of Payment. Sacramento Regional Center for International Trade Development. August 20, Sacramento. (916) 563-3200. *Labor Law*

### HR 201: Labor Law Update On-Demand Web Seminar. CalChamber.

90 minutes. (800) 331-8877.

Next Alert: August 8





# Vote Record: Job Creators, 'Job Killers'

Following are descriptions of the bills in the California Chamber of Commerce tally of how legislators have voted on job creator bills and "job killers" so far this year.

Former "job killers" shown in the vote record still contained "job killer" provisions at the time of the vote.

### **Job Creators**

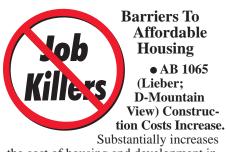


• AB 1394 (Krekorian; D-Burbank) Trademark Protections. Improves protections of trademark owner rights and consumer health and safety by strengthening California laws against trafficking of fake products such as auto parts, prescription drugs and children's toys. Passed Assembly, January 28, 75-0.

• AB 2987 (Benoit; R-Bermuda Dunes) Supplemental Job Displacement Benefits. Harmonizes provisions in current law to ease administration of return-to-work provisions in workers' compensation law. *Passed Assembly*, *May 8, 75-0*.

• SB 1608 (Corbett; D-San Leandro) Advancing Disability Access. Comprehensive reform that increases public access for individuals with disabilities while reducing unwarranted litigation, including by encouraging use of statecertified disability access specialists and establishing court procedure for early judicial review of lawsuit claims. *Passed Senate, May 29, 40-0*.

### Job Killers



the cost of housing and development in California by implementing significant energy efficiency measures for all new residential and commercial buildings without regard for the additional costs that will be passed on to consumers. *Passed Assembly, January 29, 42-32.* 

 AB 2046 (Jones: D-Sacramento) Construction Jobs Loss. Before amendments, would have halted construction of housing, cost construction jobs and provided a disincentive to clean up groundwater by inappropriately denying use of some groundwater resources as a stable water supply. As amended, requires water agencies to specify remediation and financial plans for groundwater that will be used as a water supply in the future, so no longer considered a "job killer." CalChamber still opposes because the bill exposes residential and commercial development projects to more litigation by requiring a level of specificity and certainty in urban water management plans that may not be possible. Passed Assembly as "job killer," May 29, 43-31.

• AB 2112 (Saldaña; D-San Diego) Construction Costs Increase. Substantially increases the cost of housing, interferes with the utilities' ability to meet the AB 32 carbon cap mandates and drives up the cost of AB 32 compliance through increased utility bills by mandating on-site energy generation and efficiency standards for all new residential buildings. *Passed Assembly, May 28,* 42-34.

• AB 2153 (Krekorian; D-Burbank) Construction Jobs Loss. Imposes an unconstitutional developer fee on new residential and commercial development that will be used to finance water conservation strategies in existing communities by requiring that all new development be water-demand neutral. Failed passage in Assembly. *Failed passage in Assembly, May 29, 30-37.* 

• AB 2705 (Jones; D-Sacramento) Construction Jobs Loss. Makes new housing less affordable, risks the loss of construction jobs and squeezes support for maintenance costs for parks and schools by expanding Mello Roos Fees to include financial support of transit services. Passed Assembly, May 15, 41-33.

### **Costly Workplace Mandates**

• AB 2279 (Leno; D-San Francisco) Employee Safety Risk. Hurts employee safety and employers' right to maintain drug-free workplace policies and exposes employers to potential litigation by prohibiting employers from refusing to hire applicants or fire current workers who use medical marijuana. *Passed Assembly, May 28, 41-35.* 

• AB 2716 (Ma; D-San Francisco) Employer Benefit Mandate. Unreasonably expands employer's costs and liability by mandating a specific paid sick leave policy. *Passed Assembly, May 28, 45-33*.

• SB 1115 (Migden; D-San Francisco) Workers' Compensation Reform Roll Back. Increases workers' compensation costs and rolls back the workers' compensation reforms from 2004 by making apportionment very difficult to prove. *Passed Senate, March 10, 23-13*.

• SB 1717 (Perata; D-Oakland) Workers' Compensation Reform Roll Back. Increases workers' compensation costs and rolls back the workers' compensation reforms from 2004 by arbitrarily doubling permanent disability benefits and altering the 15 percent bump up/ down provision in current law. *Passed Senate, May 27, 23-14.* 

### **Economic Development Barriers**

• AB 1840 (C. Calderon; D-Montebello) Internet Tax. Encourages companies that provide services via the Internet and which operate and provide jobs in California to move their operations out of California. *Failed passage in Assembly*, *May 27, 18-37*.

• AB 2447 (Jones; D-Sacramento) Construction Job Loss. Severely limits residential and commercial development to a degree that it could virtually shut down any suburban development in certain areas of California by prohibiting the approval of development in fire-risk areas without a mitigating finding by the city or county. *Passed Assembly, May 29*, 43-34.

• AB 2514 (Eng; D-Monterey Park) Costly Construction Delays. Delays construction of commercial and residential projects and obstructs normal agricultural practices by requiring an unworkable resolution to disposition of human remains that are not Native American. Passed Assembly, May 27, 42-31.

• AB 2678 (Núñez; D-Los Angeles) Building Energy Audits. Before amendments, would have threatened already-beleaguered existing housing and commercial real estate markets by



## Vote Record: Job Creators, 'Job Killers'



*From Page 3* establishing a process to adopt mandatory time-of-sale energy efficiency audits without any specificity on what would ultimate-

ly be required by the audits. Former "job killer" now requires the California Energy Commission to develop a regulatory strategy to help address energy efficiency of existing residential and commercial buildings. *Passed Assembly as "job killer," May 28, 44-33.* 

• SB 1165 (Kuehl; D-Santa Monica) Infrastructure and Construction Jobs Loss. Jeopardizes economic growth by restricting environmental impact statements to a five-year lifetime which will delay permitting of the project and open the door for frivolous lawsuits in an attempt to block the project. *Failed passage in Senate, May 29, 17-18.* 

### Expensive, Unnecessary Regulatory Burdens

• AB 2546 (De La Torre; D-South Gate) Interference of Goods Movement. Increases the cost of moving goods and jeopardizes rail yards by setting up an unreasonable requirement to regulate the emissions from mobile emitters that visit their facility even if they have no control over the mobile sources. *Passed Assembly*, *May 28, 44-32*.

### **Fuel Price Increases**

• AB 2558 (Feuer; D-Los Angeles) Climate Change Tax. Assesses an unconstitutional tax on businesses and consumers in Los Angeles County and the Bay Area by imposing a tax by a majority vote on either motor vehicles or vehicle fuel. Passed Assembly, May 27, 42-33.

• ABX3 9 (Núñez; D-Los Angeles) Gas Price Increase. Imposes a billionplus-dollar tax increase on California oil companies which would result in higher gas prices for consumers, increased dependence on foreign oil, and further damage to our already-suffering economy. *Failed passage in Assembly, March 12,* 45-30.

• SB 1240 (Kehoe; D-San Diego) Restrictive Fuel Standard. 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. *Passed Senate, May 27, 23-15.* 

#### Inf ated Liability Costs

• SB 1113 (Migden; D-San Francisco) Incentive to Sue. Expands reward to plaintiffs for costs of litigation stemming from private attorney general actions while providing no cost recovery for those who must defend themselves against such actions, even if those actions are found to be baseless. *Passed Senate*, *May 15, 23-14*.

## Key to Using Vote Record

- Y means voted for bill.
- N means voted against bill.
- means not voting "aye" on a California Chamber-opposed bill.
- means not voting or absent.

# Boldface type indicates votes in accord with CalChamber position.

The last three columns are a tabulation of votes in accord with the CalChamber position, not in accord with the CalChamber and not voting or absent.

### When 'Not Voting' Helps

Sometimes a legislator is unwilling to vote against a colleague, but is willing to support the CalChamber's opposition to a bill. In such cases, a legislator may abstain from voting, which will hinder passage of a bill, just as a "no" vote does.

To recognize that not voting can aid the CalChamber's opposition to a bill, the vote record includes the number of times legislators did not vote "aye" on a CalChamberopposed bill in the total for the column listing actions "in accord with" the CalChamber's position, if the legislator was not absent for the day.

### Employers Have Options When Employee Faces Domestic Violence

#### From Page 2

should anticipate and put into place safeguards to ensure that the workplace remains safe for employees.

Talk to the employee who is the victim of domestic violence about what the employee knows about the abusive person and what that person has said that he/she would do or is likely to do. Also alert other managers, supervisors and the receptionist so that they are prepared.

It may be a good idea to obtain a picture of the person so that your managers and security are aware of whom to watch out for in the parking lot and the building. If the employee is seeking a restraining order, ask that the employee's workplace be included.

If a restraining order is obtained that restricts the abuser from being at the employee's place of work and the abusive person shows up at work, immediately call the police and you may have the abusive person arrested for violating the restraining order. A copy of the restraining order should be retained at work so that you can show it to police if they are called.

Take all threats seriously; document time, date, place, what was said and names of witnesses for the police and court actions. Even if there is no restraining order, if the abusive person shows up at your worksite and is harassing, threatening or refusing to leave, immediately call 911.

Always consider hiring a security guard to deal with the individual should the abuser come to your place of employment. Consult with your attorney about restraining orders and other precautions that the attorney may advise.

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.



# Senate Votes on Job Creators/'Job Killers'

						— Jo	b Kille	ers —						
	Job Creator	SB 1608: ADA Reform	Costly Workplace Mandates	SB 1115: Apportionment	SB 1717: Permanent Disability	Economic Development Barriers	SB 1165: EIRs (Failed)	Fuel Price Increases	SB 1240: New Fuel Standard	Inflated Liability Costs	SB 1113: Incentive to Sue	Total in Accord with Chamber	Not in Accord with Chamber	Not Voting or Absent
Aanestad, S. (R) Ackerman, D. (R) Alquist, E. (D) Ashburn, R. (R) Battin, J. (R)		Y Y Y Y		N N Y N	N N Y N		N N Y N		N N Y N		N N N Y • N	6 6 1 6	0 0 5 0 0	0 0 0 0
Calderon, R. (D) Cedillo, G. (R) Cogdill, D. (R) Corbett, E. (D) Correa, L. (D)		Y Y Y Y		● Y N Y	● Y N Y Y		N • N Y		Y Y N Y		N Y N Y Y	5 2 6 1 4	1 4 0 5 2	0 0 0 0
Cox, D. (R) Denham, J. (R) Ducheny, D. (D) Dutton, B. (R) Florez, D. (D)		Y Y Y Y		N Y N Y	<b>n</b> Y Y Y		N N N N Y		<b>n</b> Y Y Y		<b>n n n n n n n n n n n</b>	6 5 2 6 1	0 0 4 0 5	0 1 0 0
Harman, T. (R) Hollingsworth, D. (R) Kehoe, C. (D) Kuehl, S. (D) Lowenthal, A. (D)		Y Y Y Y		N N Y Y Y	N N Y Y Y		N N Y Y		N N Y Y Y		<b>N N Y</b> Y Y	6 6 1 1	0 0 5 5 5	0 0 0 0
Machado, M. (D) Maldonado, A. (R) Margett, B. (R) McClintock, T. (R) Migden, C. (D)		Y Y Y Y		Y N N Y	Y N N Y		Y N N Y		• • N Y		Y N N Y Y	2 6 5 1	4 0 1 5	0 0 0 0
Negrete McLeod, G. (D) Oropeza, J. (D) Padilla, A. (D) Perata, D. (D) Ridley-Thomas, M. (D)		Y Y Y Y		Y Y Y Y	Y Y Y •		● Y Y Y		Y Y Y Y		• Y Y Y	3 2 2 1 2	3 4 5 4	0 0 0 0
Romero, G. (D) Runner, G. (R) Scott, J. (D) Simitian, J. (D) Steinberg, D. (D)		Y Y Y Y		Y N Y Y	Y N Y Y		Y N Y Y		Y N Y Y		Y <b>N</b> Y Y Y	1 6 1 1	5 0 5 5 5 5	0 0 0 0
Torlakson, T. (D) Vincent, E. (D) Wiggins, P. (D) Wyland, M. (R) Yee, L. (D)		Y Y Y Y		Y Y Y Y	Y Y Y N Y		● Y N N		Y Y Y N Y		Y Y Y N Y	2 1 1 6 2	4 5 5 0 4	0 0 0 0



# Assembly Votes on Job Creators/'Job Killers'

	Job Killers										; —														
	Job Creators	AB 1394: Trademarks	AB 2987: Return to Work	Barriers to Affordable Housing	AB 1065: Energy Use Mandates	AB 2046: Groundwater	AB 2112: Utility Cost Increase	AB 2153: Developer Fee (Failed)	AB 2705: Mello Roos Fees	<b>Costly Workplace Mandates</b>	AB 2279: Medical Marijuana	AB 2716: Sick Leave Mandate	Economic Development Barrier	AB 1840: Internet Tax (Failed)	AB 2447: Fire-Risk Areas	AB 2514: Construction Delays	AB 2678: Building Energy Audits	<b>Regulatory Burdens</b>	AB 2546: Goods Movement	Fuel Price Increase	AB 2558: Climate Change Tax	ABX3 9: Gas Hike (Failed)	Total in Accord with Chamber	Not in Accord with Chamber	Not Voting or Absent
Adams, A. (R) Aghazarian, G. (R) Anderson, J. (R) Arambula, J. (D) Bass, K. (D)		Y Y Y Y	Y Y Y Y		N N Y Y	N N N Y Y	N N N Y	N N N N Y	N N N Y Y		N N N Y	N N N Y		N N N Y	N N N Y Y	N N N Y	N N N Y		N N Y Y		N N Y Y	N N Y Y	15 16 16 9 2	0 0 0 7 14	1 0 0 0
Beall, J. (D) Benoit, J. (R) Berg, P. (D) Berryhill, T. (R) Blakeslee, S. (R)		Y Y Y Y	Y Y Y Y		Y N Y N N	Y N Y N N	Y N Y N N	Y N Y N N	Y N Y N N		Y N Y N N	Y N Y N		• N Y N	Y N Y N N	Y N Y N	Y N Y N		Y N Y N		Y N Y N	Y N Y N	3 16 2 16 16	13 0 14 0 0	0 0 0 0
Brownley, J. (D) Caballero, A. (D) Calderon, C. (D) Carter, W. (D) Cook, P. (R)		Y Y Y Y Y	Y Y Y Y		Y Y Y ● N	Y  Y N	Y Y Y N	Y — • N	Y Y Y N		Y Y V	Y Y Y Y		• • Y • N	Y  Y N	Y Y Y N	Y Y Y N		Y Y Y N		Y Y Y N	Y Y Y Y	3 3 2 6 16	13 10 11 10 0	0 3 3 0 0
Coto, J. (D) Davis, M. (D) De La Torre, H. (D) De León, K. (D) DeSaulnier, M. (D)		Y Y Y Y	Y Y Y Y		Y Y Y Y Y	Y Y Y Y Y	Y Y Y Y Y	N • Y Y Y	Y Y Y Y Y		Y Y Y Y	Y Y Y Y Y		● Y ● Y	Y Y Y Y Y	Y Y Y Y Y	Y Y Y Y Y		Y Y Y Y Y		Y Y Y Y Y	Y Y Y Y Y	4 3 2 2 2	12 13 13 13 14	0 0 1 1 0
DeVore, C. (R) Duvall, M. (R) Dymally, M. (D) Emmerson, B. (R) Eng, M. (D)		Y Y Y Y	Y Y Y Y		N Y N Y	N Y N Y	N Y N Y	N Y N Y	N N N Y		N Y N Y	N Y N Y		N N Y N	N Y N Y	N • Y N Y	N Y N Y		N N • N		N Y N Y	N Y N Y	15 16 3 16 4	0 0 12 0 12	1 0 1 0 0
Evans, N. (D) Feuer, M. (D) Fuentes, F. (D) Fuller, J. (R) Furutani, W. (D)*		Y Y Y Y	Y Y Y Y		Y Y Y N	Y Y Y N Y	Y Y Y N Y	Y Y N N	Y Y N Y		Y Y Y N Y	Y Y Y N Y		Y Y N	Y Y Y N Y	Y Y Y N Y	Y Y Y N Y		Y Y Y N Y		Y Y • N Y	Y Y Y N Y	2 2 6 16 3	14 14 10 0 11	0 0 0 0 0
Gaines, T. (R) Galgiani, C. (D) Garcia, B. (R) Garrick, M. (R) Hancock, L. (D)		Y Y Y Y Y	Y Y Y Y		N N N Y	N • N Y	N N N N N Y	N N N N Y	N N N Y		N N N N N Y	N Y N N Y		N N N N Y	N N N N N Y	N N N Y	N N N Y		N N N Y		N N N Y	N • N Y	16 14 16 15 2	0 1 0 0 14	0 1 0 1 0
Hayashi, M. (D) Hernandez, E. (D) Horton, S. (R) Houston, G. (R) Huff, B. (R) * Sworn into office on February 7.		Y Y Y Y	Y Y Y Y		Y Y N N N	Y Y N ● N	Y N N	Y Y N ● N	Y Y N N		Y Y N N N	Y Y N N		• • N N	Y Y N N	Y Y N N	Y Y N • N		Y Y N • N		Y • N N	Y Y N N	3 5 15 13 16	13 11 0 0 0	0 0 1 3 0

\* Sworn into office on February 7, 2008.



# Assembly Votes on Job Creators/'Job Killers'

JULY 25, 2008 • PAGE 7

•	Job Killers																								
	Job Creators	AB 1394: Trademarks	AB 2987: Return to Work	Barriers to Affordable Housing	AB 1065: Energy Use Mandates	AB 2046: Groundwater	AB 2112: Utility Cost Increase	AB 2153: Developer Fee (Failed)	AB 2705: Mello Roos Fees	Costly Workplace Mandates	AB 2279: Medical Marijuana	AB 2716: Sick Leave Mandate	Economic Development Barrier	AB 1840: Internet Tax (Failed)	AB 2447: Fire-Risk Areas	AB 2514: Construction Delays	AB 2678: Building Energy Audits	<b>Regulatory Burdens</b>	AB 2546: Goods Movement	Fuel Price Increase	AB 2558: Climate Change Tax	ABX3 9: Gas Hike (Failed)	Total in Accord with Chamber	Not in Accord with Chamber	Not Voting or Absent
Huffman, J. (D) Jeffries, K. (R) Jones, D. (D) Karnette, B. (D) Keene, R. (R)		Y Y Y Y	Y Y Y Y		Y N Y N	Y N Y N	Y N Y N	Y N Y N	Y N Y N		Y N Y Y	Y N Y Y		Y N Y Y	Y N Y N	Y N Y Y	• N Y Y		Y N Y Y		Y N Y Y	Y N Y N	3 16 2 2 16	13 0 14 13 0	0 0 0 1 0
Krekorian, P. (D) La Malfa, D. (R) Laird, J. (D) Leno, M. (D) Levine, L. (D)		Y Y Y Y Y	Y Y Y Y		Y N Y Y	Y N Y Y	Y N Y Y	Y N Y Y	Y N Y Y		Y N Y Y Y	Y N Y Y Y		• N • Y	Y N Y Y	Y N Y Y Y	Y N Y Y Y		Y N Y Y Y		Y N Y Y Y	Y N Y Y Y	3 16 3 2 3	13 0 13 14 13	0 0 0 0
Lieber, S. (D) Lieu, T. (D) Ma, F. (D) Maze, B. (R) Mendoza, T. (D)		Y Y Y Y Y	Y Y Y Y		Y Y Y N Y	Y Y Y <b>N</b> Y	Y Y Y N Y	Y Y Y N	Y Y Y <b>N</b> Y		Y Y Y N Y	Y Y Y N Y		Y N • N	Y Y Y N Y	Y Y Y N Y	Y Y Y N Y		Y Y Y N Y		Y Y Y N Y	Y Y Y N Y	2 3 3 16 4	14 13 13 0 12	0 0 0 0
Mullin, G. (D) Nakanishi, A. (R) Nava, P. (D) Niello, R. (R) Núñez, F. (D)		Y Y Y Y	Y Y Y Y		Y N Y N Y	Y N Y N Y	Y N Y N Y	Y N Y N Y	Y N Y N		Y N • N Y	Y N Y N Y		Y N • N Y	Y N Y N Y	Y N Y N Y	Y N Y N Y		Y N Y N Y		Y N Y N Y	Y N Y N Y	2 16 4 16 2	14 0 12 0 13	0 0 0 0
Parra, N. (D) Plescia, G. (R) Portantino, A. (D) Price, C. (D) Runner, S. (R)		Y Y Y Y	Y Y Y Y		N N Y Y	• N Y Y N	N N Y Y N	N N • • N	N N Y Y N		Y N Y N	Y N Y Y N		N N N N • N	N N N Y Y N	• N • Y	Y N Y Y		Y N Y Y		N N Y Y N	N N Y Y	12 16 6 4 13	4 0 10 12 0	0 0 0 3
Ruskin, I.(D) Salas, M. (D) Saldaña, L. (D) Silva, J. (R) Smyth, C. (R)		Y Y Y Y Y	Y Y Y Y		Y Y N N	Y Y N N	Y Y N N	Y • Y N	Y Y N N		Y Y N N	Y Y N N		N • Y N	Y Y N N	Y Y N N	Y Y N N		Y Y N N		Y Y N N	Y Y Y N	3 4 2 15 16	13 12 14 0 0	0 0 0 1 0
Solorio, J. (D) Soto, N. (D)** Spitzer, T. (R) Strickland, A. (R) Swanson, S. (D)		Y Y Y Y	Y Y Y Y		• N N Y	Y N N Y	• N N Y	N N N Y	Y N N Y		Y N N Y	Y N N Y		• N N Y	Y N N Y	• N N Y	Y N N Y		Y N N Y		• N N Y	Y N N Y	8 ** 16 16 2	8 ** 0 0 14	0 16 0 0
Torrico, A. (D) Tran, V. (R) Villines, M. (R) Walters, M. (R) Wolk, L. (D)		Y Y Y Y Y	Y Y Y Y		Y NNN Y	Y N N Y	Y N N N Y	• N N •	Y N N N Y		Y N N N N	Y N N N		• N N N •	Y N N Y	Y • N N Y	Y N N Y		Y N N Y		Y N N N Y	Y N N Y	4 16 16 16 6	12 0 0 10	0 0 0 0

\*\* Absent due to illness.



## Governor, Feinstein Propose Water Bond to Fund Update of State System

#### From Page 1

"The water system that contributed to California's emergence as one of the world's major economic powers is faltering. Existing facilities are barely able to meet current public demand. The goals outlined in the plan announced by the Governor and Senator Feinstein today - to ensure the integrity of the conveyance system through the Delta, add storage for the benefit of people and the environment, and ensure a safe, reliable supply of water for all Californians — are identical to the goals of the previously filed CalChamber initiatives. The business community truly appreciates the commitment of these leaders to deliver a comprehensive water package that invests in California's future," Zaremberg said.

### Water Shortage

California is facing the most significant water crisis in its history. After two years of drought and the driest spring in recorded history, water reserves are extremely low and would not be able to meet public demand during a major disruption to the state's water delivery system, such as an earthquake or levee breach.

With the Sacramento-San Joaquin Delta ecosystem near collapse, court-ordered restrictions on water deliveries from the Delta have reduced supplies from the state's two largest water systems by 20 percent to 30 percent.

Drought conditions in the Colorado River Basin and an unreliable Sierra snowpack are leaving many communities throughout California facing mandatory restrictions on water use and/or rising water bills. If the drought continues into next year, the results could be catastrophic to the economy.

Last month, the Governor issued an executive order declaring a statewide drought and directing state agencies and departments to act immediately to address the serious drought conditions and water delivery reductions. The Governor also proclaimed a state of emergency in nine Central Valley counties to address urgent water needs: Sacramento, San Joaquin, Stanislaus, Merced, Madera, Fresno, Kings, Tulare and Kern.

This year's drought has already significantly damaged California's economy. Agricultural crops are being plowed under, housing and business projects are being delayed and regional water authorities are instituting mandatory water rationing. Due to California's water shortages, thousands of jobs are lost and construction projects are on hold because a water supply cannot be guaranteed.

In two of the last three years, the state's once-thriving Pacific salmon fisheries have been shut down as former salmon strongholds throughout the state have become dangerously imperiled. The populations of Delta smelt and other native Delta fish have declined to fractions of their former levels.

### Bond Proposal

The \$9.3 billion bond measure proposed by the Governor and Senator Feinstein includes the following:

• increased water storage to ensure the state's water supply is more reliable year-to-year and that the state is able to capture excess water in wet years to use in dry years;

• improved water conveyance to reduce water shortages;

• restored Delta ecosystem to allow California to take control of its own water systems; and

• increased conservation and tools to use water more efficiently.

### **Peripheral Canal**

The bond proposal does not spell out how to improve water conveyance. A week after the Governor's announcement, however, the Public Policy Institute of California (PPIC) released a report concluding that a peripheral canal to carry water around the Sacramento-San Joaquin Delta is the "most promising" strategy to balance two critical policy goals: reviving a threatened ecosystem and ensuring a high-quality water supply for California residents.

The PPIC report also recommends the state develop a new approach to governing in the Delta "to ensure that various goals are well served, including water supply, environmental management, and the state's local interests in the Delta."

### **Consensus Needed**

Citing the state's urgent need to resolve its water issues, the Governor and Senator Feinstein aim to present a proposal to voters in November. Because placing a bond measure on the November ballot will require approval by a twothirds vote of both houses of the Legislature, any proposal will have to be a consensus package.

The proposal presented by the Governor and Senator Feinstein seems to provide the framework for that consensus package, but there are likely to be amendments that are going to be needed.

Farmers and local governments in the Delta are concerned about the continued sustainability of their assets. Californians who rely on the Delta for water want to be sure the proposed language is specific enough to assure an adequate and safe water supply for the next century.

In addition, there will always be people who don't want California to grow any more and who will oppose any measure on the ballot.

"This year's drought and environmental issues have put the critical issue of water infrastructure front and center," said Zaremberg. "The time to act is now. We look forward to working with the Governor, Senator Feinstein and members of the Legislature to achieve a consensus package for voter approval on the November ballot."

The CalChamber will keep members posted on the progress of the discussions. **Staff Contact: Valerie Nera** 

They won't know unless you tell them. Write your legislator. calchambervotes.com



# Hearing Soon on Sick Leave Mandate Bill



A California Chamber of Commerce-**opposed** bill that unreasonably expands employers' costs and liability by mandating a specific

paid sick leave policy will be considered August 4 by a Senate committee.

AB 2716 (Ma; D-San Francisco) mandates, without exception, that all employers provide paid sick leave to an employee after seven days of work in a calendar year to care for their own illness, or to provide care to a sick child, spouse, domestic partner or other relative.

AB 2716 will have an impact on all employers, regardless of the level of sick leave currently provided.

Due to both the administrative burdens

and the additional cost to provide sick leave, public employers believe that AB 2716 will severely restrict the use of extra help and seasonal employees. This loss of flexibility will increase costs and reduce efficiencies in the delivery of services to the public by cities and counties.

For counties, AB 2716 poses a particular problem for In-Home Supportive Services (IHSS) employees. It is unknown which entity, the county, the state, or the public authority, would be considered the employer of record, and therefore responsible for funding sick leave to approximately 300,000 providers.

No federal funds would be available for hours not worked, which means that for every hour of paid sick leave taken, a replacement worker must also be provided wages to take care of the in-home client.

The ever-increasing burden of costly mandates on employers can cumulatively

result in lower wages, reducing available health insurance, limiting training programs and job loss or reduced work hours. Job loss translates to lower tax revenues from employers and employees, as well as increased use of unemployment insurance.

The CalChamber believes that in an already-troubled economy, California should be seeking ways to stimulate job growth and avoid forcing costly mandates onto employers.

### Action Needed

AB 2716 will be heard by the Senate Appropriations Committee on August 4. Urge your senator and committee members to **oppose AB 2716**.

For a sample letter, visit *www. calchambervotes.com*. Staff Contact: Marti Fisher

### CalChamber Supports Algebra I Testing for Middle School Students

#### From Page 1

The board's vote aligned California's eighth-grade mathematics test with the state's high expectations rather than perpetuating a two-track system: one for high achievers and one for those of whom less is expected. The state's education community argued to maintain the two-track approach.

In a letter to the education board president, Governor Schwarzenegger asked the board to do away with the below grade-level general mathematics test and designate the state's existing Algebra I exam as California's test to measure eighth-grade mathematics for federal accountability purposes.

"To do otherwise would lower our expectations and continue to divide our children between those we believe in and those we leave behind," the Governor wrote.

### **High Standard**

California is the only state in the nation to use Algebra I as the official standard for eighth grade mathematics. Since 2003, the number of California eighth graders taking Algebra I has increased from 34 percent to 52 percent, compared with just 30 percent of eighth graders nationwide.

California has made significant gains

## Employer Need Only Provide Meal/Rest Break

#### From Page 1

• While employers cannot impede, discourage or dissuade employees from taking meal periods, they need only provide them, not ensure they are taken; and

• While employers cannot coerce, require or compel employees to work off the clock, they can be held liable for employees working off the clock only if the employer knew or should have known the employees were doing so.

### **Individual Issues**

The court concluded that because the meal and rest breaks need only be "made available" and not "ensured," individual issues predominate and such claims are not amenable to class treatment. The court also concluded that off-the-clock claims are not amenable to class treatment as individual issues predominate. **Staff Contact: Susan Kemp** 

in enrolling students in Algebra I in eighth grade in recent years, surpassing other states in the nation.

In 2007, California's eighth graders ranked 44th in the nation in mathematics achievement. Internationally, eighth graders in the United States are outperformed in mathematics by their counterparts in Singapore, South Korea, Hong Kong, Taiwan and Japan, as well as Belgium, the Netherlands, Estonia and Hungary.

### **Business Priority**

Survey results released earlier this year by the California Foundation for Commerce and Education found that the state's business executives considered the inability to hire and maintain a qualified workforce among the top disadvantages to doing business in California.

Executives also ranked the quality of public education as a high priority to be addressed by state policymakers.

The CalChamber has long been a proponent of standards-based education. Helping young people develop the skills necessary to be productive citizens is an essential part of building and maintaining a strong economy, which in turn is essential to business success and social responsibility.



# Legislative Outlook

An update on the status of key legislation affecting businesses. Visit *www.calchambervotes.com* for more information, sample letters and updates on other legislation. Staff contacts listed below can be reached at (916) 444-6670. Address correspondence to legislators at the State Capitol, Sacramento, CA 95814. Be sure to include your company name and location on all correspondence.

## CalChamber Supports Legislation to Deter Scrap Metal Theft



The California Chamber of Commerce is urging members of the business community to **support** legislation intended to curb one of the fastest-growing crimes in the state: metal theft.

Scrap metal theft is affecting businesses and individuals alike. Copper and aluminum are being stripped from building sites, farms, utilities, schools, vacant homes and other sites, only to be sold to metal recyclers for a profit.

The CalChamber, along with several organizations, is in strong support of two bills, **AB 844 (Berryhill; R-Modesto) and SB 691 (R. Calderon; D-Montebello)**.

The bills require junk dealers and recyclers to comply with specified recordkeeping and identification procedures, restrict cash transactions and increase penalties for violating these provisions.

AB 844 and SB 691 provide the necessary tools to reduce the sales of stolen metal. Included in the bills is a requirement for scrap metal recyclers to obtain current identification, including thumbprint, from sellers and a photograph of the items sold. The bills also require the sellers to complete a form disclosing the origin of the materials.

In addition to the improved recordkeeping requirements, these bills change payment methods for scrap metal. Sellers will be paid after a three-day waiting period, unless an individual completes five or more separate transactions per month. Also under the legislation, recyclers are required to report their transactions on a monthly basis to local law enforcement.

Finally, the bills increase penalties against recyclers found in violation of these provisions and require convicted scrap metal thieves to pay for costs associated with their crime.

The recent rise in scrap metal values has made the theft and sale of these materials increasingly profitable.

The market price for copper has gone from \$.75 a pound to \$3.76 in five years. Aluminum prices have more than doubled in the same time, from \$.60 to \$1.30 a pound.

### Action Needed

AB 844 is scheduled for consideration by the Senate Public Safety Committee on August 5. SB 691 was sent to the Assembly Appropriations Suspense file on July 15 pending a review of its fiscal impact.

Contact your Assembly or Senate representatives and encourage them to **support** the bills. **Staff Contact: Valerie Nera** 

### Governor Signs Foreclosure Relief Bill, New Process for Lenders

Governor Arnold Schwarzenegger recently took action to help struggling California homeowners by signing **SB 1137 (Perata; D-Oakland)**.

The bill establishes new processes for lenders to reach out to homeowners prior to foreclosure, providing them with additional information on the process and encouraging further efforts to avoid foreclosure wherever possible. In doing so, SB 1137 provides tangible relief to California borrowers without arbitrarily limiting access to credit or discouraging the investments that are needed to restore liquidity to the state's housing market.

The measure, a product of months of debate and discussion between legislators and stakeholders, represents a collaborative, bipartisan effort to improve the foreclosure process to the advantage of all Californians.

In addition to helping borrowers avoid foreclosure, SB 1137 also does the following:

• Provides additional time for tenants of foreclosed properties to make other housing arrangements prior to eviction.

• Creates new requirements for the maintenance of foreclosed properties to protect the surrounding neighborhoods.

• Becomes effective immediately due to an urgency clause. Absent such a clause, new laws do not take effect until January 1 of the year following their passage. Staff Contact: Robert Callahan



## World's Leading Trade Fair Selects California as Partner State in 2009

California has been selected as the partner state for the world's leading trade fair for digital business solutions and information and communications technology, CeBIT, in 2009.

CeBIT describes itself as the number one marketplace for digital solutions and most influential international information and communications technology event.

### **Historic Selection**

California's selection marks the first time that a state, not a country, will serve as a partner at CeBIT.

California's participation at CeBIT 2009 will spotlight the state's innovative information and communications technologies in several key industries, including: entertainment, Internet-based services, TeleHealth, security, consumer electronics, digital content generation and distribution, aerospace, and research and technology. In addition, California will feature its green information technology initiatives.

California's high-tech industry added 21,400 net jobs — a 2 percent increase — for a tech industry total of 940,700 in 2006 (the most current state data available), according to a recent American Electronics Association (AeA) study.

### High-Tech Leader

The report also indicated that California continues to lead the nation by most hightech industry metrics and that venture capital investments increased 8 percent to \$13.8 billion in 2007, accounting for 47 percent of all venture capital in the country. CeBIT 2008 featured 67 exhibiting companies from California, as well as other California companies that registered through their international subsidiaries. The event attracted 495,000 attendees, 5,800 visitors and more than 7,000 press and media from more than 77 countries.

CeBIT 2009 will be organized jointly by Deutsche Messe AG and its U.S. subsidiary, Hannover Fairs USA, Inc., the U.S. Department of Commerce, the Office of the Governor of California, the California Business, Transportation and Housing Agency and the German Association for Information Technology, Telecommunications and New Media (BITKOM).

For more information about CeBIT, visit *www.cebit.com*. Staff Contact: Susanne Stirling

## Australia Representatives Visit CalChamber



California trade relations with the Australian state of Victoria are among the topics for discussion when Andrew Dyer, commissioner to the Americas, and Deborah Komesaroff (right), Victoria Business Office, meet with Susanne T. Stirling, CalChamber vice president of international affairs, on July 21. Victoria is home to 5 million people with 3.6 million living in the capital city of Melbourne. In 2007, the United States exported \$19.2 billion worth of goods to Australia, a 35 percent increase since 2004, the year before the U.S.-Australia Free Trade Agreement went into effect.





P.O. BOX 1736 SACRAMENTO, CA 95812-1736 CALIFORMIA CHAMBER OF COMMERCE

мим.саісћатber.сот (616) 444-6670 FACSIMILE (916) 444-6685

Melping California Business Do Business

ADDRESS SERVICE REQUESTED

## Visit the Health and Safety section at www.calbizcentral.com or call 1-800-331-8877.

# **Enter priority code REI at checkout** to receive this offer. Hurry! Offer

expires 08/15/2008.\*

Sacramento, CA

DIA9 Postage Periodicals

Heat Illness

Safety and Pre

## Summer hazards lie ahead. Are you and your outdoor employees safe?

Knowing how to prevent, recognize and treat heat illness is a Cal/OSHA mandate. Heat-related injuries and illnesses strike U.S. worksites, resulting in approximately 27 deaths a year. Cal/OSHA now requires companies with outdoor staff to provide shade and access to clean, cool drinking water, as well as written instruction for recognizing heat illness.

With our Heat Illness Prevention Kit, compliance is easy. Satisfy this instruction requirement with this

complete kit:

Educates workers to recognize symptoms of, prevent and treat heat illness

• Provides illustrations and easy-to-understand instructions in English and Spanish

\*Preferred and Executive CalChamber members receive both their member discount and the \$30 discount.

May reduce workers' compensation liability

• Contains a set of five *Heat Illness Prevention* mini-books plus our

Heat Illness Safety and Prevention poster (21" x 27.5" laminated).



CALIFORNIA CHAMBER OF COMMERCE

JULY 25, 2008 · PAGE 12

Order \$200 or

more in health

and safety

products to eceive a \$10 REI

gift card.

calbizcentral

presented by CalChamber