Governor Signs Bill to Help Diversify Electricity Sources

Governor Arnold Schwarzenegger this week signed a California Chamber of Commerce-supported job creator bill that is a step in the right direction toward helping the state diversify its sources for generating electricity.

SBX8 34 (Padilla; D-Pacoima) ensures the expedited permitting of environmentally sound solar thermal and photovoltaic power plants, enabling them to qualify for grants under the American Recovery and Reinvestment Act of 2009 (ARRA).

SBX8 34 will help ensure that 11 solar thermal and 4 photovoltaic power plants currently under review with the California Energy Commission remain eligible for the 30 percent project cost grants under the ARRA funds.

These funds, however, are available only to projects that begin construction by no later than December 31, 2010. An expeditious process could help add more than 5,000 megawatts to California’s grid, help to reduce greenhouse gas emissions and effectively put California at the forefront of renewable energy development.

Economy, Environment Benefit

SBX8 34 is a common-sense bill that provides benefits to the state’s economy and environment.

“Our bold and innovative vision for California has made us a pioneer in renewable energy, green jobs and environmental protection and, as a result, we are seeing an energy revolution in California,” Governor Schwarzenegger said in a news release.

See Governor: Page 6

CalChamber Urges Opposition to Legislation Hindering U.S.-Colombia Trade Agreement

The California Chamber of Commerce is urging members of the business community to oppose a state resolution that memorializes Congress to oppose the U.S.-Colombia Free Trade Agreement (FTA). AJR 27 (Torrico; D-Fremont) has been scheduled to be considered by the Assembly Jobs, Economic Development and the Economy Committee on April 20. AJR 27, a California Assembly Joint Resolution opposing the U.S.-Colombia FTA, would cast the FTA and Colombia in an unproductive light if it were to pass.

Colombia is an important trading partner with California and the United States and also a partner in stopping drug trafficking.

The U.S.-Colombia FTA, signed in

See CalChamber: Page 6

A California Chamber of Commerce-sponsored bill that promotes employee productivity, efficiency and satisfaction in the workplace by making it easier for employers to give individual employees flexible work schedules will be considered by a Senate committee in April.

SB 1335 (Cox; R-Fair Oaks/Dutton; R-Rancho Cucamonga) provides a simplified process for establishing flexible work schedules.

Flexible or compressed work schedules, in which employees work fewer but longer days, such as four 10-hour days each week (4/10), nine-hour days with one day off every two weeks (9/80), or other schedules have become increasingly popular.

SB 1335 establishes a voluntary, employee-driven process where the employees can simply request in writing, and the employer may mutually agree to, a flexible work schedule.

Hours worked within that flexible schedule will be paid at straight time rates.

The bill is set for hearing in the Senate Labor and Industrial Relations Committee on April 14.

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Inside

Why Support Prop. 14

Open Primary: Page 3
Employers Cannot Require Employees to Fill Out Ethnic, Race Surveys

Yes, this mandatory practice may be discrimination under the state Fair Employment and Housing Act that protects race, color, national origin and ancestry, and the federal Equal Employment Opportunity Act that protects race and national origin. If an employer is required to report race and ethnic data to the Equal Employment Opportunity Commission (EEOC), participation by employees must be voluntary.

Race Categories

The EEO-1 Report Form breaks down race and ethnic information into the following categories:

- **Hispanic or Latino**—A person of Cuban, Mexican, Puerto Rican, South or Central American or other Spanish culture or origin regardless of race.
- **White (Not Hispanic or Latino)**—A person having origins in any of the original peoples of Europe, the Middle East or North Africa.
- **Black or African American (Not Hispanic or Latino)**—A person having origins in any of the black racial groups of Africa.
- **Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino)**—A person having origins in any of the peoples of Hawaii, Guam, Samoa or other Pacific Islands.
- **Asian (Not Hispanic or Latino)**—A person having origins in any of the original peoples of the Far East, Southeast Asia or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- **American Indian or Alaska Native (Not Hispanic or Latino)**—A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.
- **Two or More Races (Not Hispanic or Latino)**—All persons who identify with more than one of the above five races.

Voluntary Survey

Generally, an employer may obtain this information by using a visual survey of its employees, or may request that employees complete a voluntary survey. For those employers that opt for the employee voluntary survey, the EEOC recommends that the following language be included:

“The employer is subject to certain governmental recordkeeping and reporting requirements for the administration of civil rights laws and regulations. In order to comply with these laws, the employer invites employees to voluntarily self-identify their race or ethnicity. Submission of this information is voluntary and refusal to provide it will not subject you to any adverse treatment. The information obtained will be kept confidential and may only be used in accordance with the provisions of applicable laws, executive orders, and regulations, including those that require the information to be summarized and reported to the federal government for civil rights enforcement. When reported, data will not identify any specific individual.”

CalChamber Calendar

**Business Summit/Host Breakfast:**
May 17–18, Sacramento

**Council for International Trade:**
May 17, Sacramento

**Water Committee:**
May 17, Sacramento

**Environmental Committee:**
May 17, Sacramento

**Board of Directors:**
May 17–18, Sacramento

**Fundraising Committee:**
May 18, Sacramento

**Public Affairs Council Spring Retreat:**
June 15, Sacramento

Next Alert: April 9
Why Business Should Support Prop. 14
Open Primary Act Will Make Sure Everyone’s Vote Actually Counts in November

Businesspeople who want to put California government back on the right track should be working hard to build voter support for Proposition 14, the Top Two Candidates Open Primary Act on the June ballot.

Proposition 14 will fix a big problem with the current elections process by making sure everyone’s vote counts in the November general election. In most legislative and congressional districts today, most people’s votes just don’t matter in the general election.

Current Problem

The way political districts are drawn now, most have a majority or more of voters registered in one major party or another. Consequently, the candidate who wins the primary of the majority party in the district is virtually guaranteed to win election to the state Legislature or Congress in the general election. It is not uncommon for the winner of a race with no incumbent to win a primary with support of only 10 to 15 percent of the registered voters.

Historically, very few voters actually go to the polls in the June primary election. Moreover, the people who are most likely to vote in a primary election tend to come from the more polarized extremes of the major parties.

Therefore, the ultimate winner not only is selected by a small percentage of voters in the district, but by voters who aren’t necessarily representative of the broader views of all the voters in the district, those who are more pro-business in their perspective on issues facing the district, the state and the nation.

Proposition 14 Solution

Proposition 14 will open up the primary election and the choice of candidates available in the November election.

The measure will enable you to vote for any candidate you wish for in the primary election, regardless of political party preference. Independent voters, the growing number registering as “decline to state,” can have a say in primary elections also.

As the name of the measure highlights, in the November general election, all voters will have a chance to choose between the top two vote getters in the primary election. The number of votes, not the party of the candidate, will be the determining factor.

Widening the voter pool of the election will lead to the selection of candidates who represent the views of a broader portion of district voters and are more likely to seek practical solutions. Having to seek support from a majority of all voters will make these candidates more attentive to the issues of jobs and the economy, which are a priority for the voters, but not many current legislators.

Opponents of Proposition 14 want to keep the status quo. They prefer to leave decision-making on broad issues that affect all of us throughout the state in the hands of the few party purists in each district.

The status quo is unacceptable. The decisions facing California today require a broad outlook and candidates who understand the connection between business-friendly policies, jobs and a strong economy.

Make sure your vote counts in the general election and increase the odds that the candidates you have to choose from on the ballot will represent the views of the broader electorate and not the extreme few. Support Proposition 14 on the June ballot.

Allan Zaremberg is president and CEO of the California Chamber of Commerce.

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CalChamber Positions on June Ballot Propositions

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Action Needed on Flexible Work Schedule Bill

From Page 1

Benefits

Flexible work schedules are a win-win for employees, employers and the environment. For employees, flexible schedules help to better balance work and personal lives. A recent study showed that 82 percent of polled workers who transitioned to 4/10 schedules preferred it over a regular five-day, eight-hour-per-day schedule.

Working a flexible four-day schedule provides for up to 50 extra days each year for the average full-time employee. This means more time to spend with family, attend children’s school activities, care for dependent elders, go to medical appointments, go back to school or attend to other private matters that usually cannot be accomplished on a weekend.

For employers, flexible work schedules can greatly improve workplace productivity, efficiency and employee recruitment and retention.

For the environment, flexible schedules could help ease traffic congestion. A report released in 2005 by the state Department of Health Services shows that employees in the state spend up to 100 hours per year commuting. More employees working flexible schedules could lead to fewer cars on the road and reduced greenhouse gas emissions.

Problems with Current Law

Current law discourages flexible schedules that benefit employees.

Employee Protections

SB 1335 contains important employee protections and ensures that these protections remain intact in a number of ways, including:

- The employee is still paid normal overtime for any hours worked over 10 in a day and 40 in a week.
- The employee must request the flexible schedule in writing.
- The employer is prohibited from inducing an employee to request a flexible schedule by promising a benefit or threatening a detriment.
- The bill does not affect workers who are covered by collective bargaining agreements.
- The bill does not affect employees of the state or local governments.

Action Needed

The CalChamber is encouraging members of the business community to contact members of Senate Labor and Industrial Relations and urge them to support SB 1335.

Let them know that SB 1335 is a sensible and balanced approach to improving the workplace for both California employees and employers.

For a sample letter, visit www.calchambervotes.com. To join the support coalition, e-mail laurie.lively@calchamber.com.

Staff Contact: Kyla Christoffersen
California’s Lawsuit Climate Rank Remains Among Worst in Nation in New Survey

California’s lawsuit climate is among the worst in the country and the system continues to have a significant impact on the state’s business climate, according to a study released this week by the U.S. Chamber of Commerce.

According to the report, California’s lawsuit climate is on par with states including Alabama, Louisiana and West Virginia. Among local jurisdictions, Los Angeles courts were mentioned as the second worst in the nation for legal fairness and after Chicago, Illinois. San Francisco’s courts were named as the sixth worst.

Findings from the survey, titled Lawsuit Climate 2010: Ranking the States, were released by the U.S. Chamber Institute for Legal Reform.

Five Worst

The survey ranks the worst five states for legal fairness as: California (46th), Alabama (47th), Mississippi (48th), Louisiana (49th) and West Virginia (50th).

Two-thirds, or 67 percent of the 1,482 corporate lawyers contacted for the survey say a state’s lawsuit environment is likely to have an impact on important business decisions at their company, such as where to locate or expand their businesses—up 10 percent from just three years ago.

Continuing Trend

In the U.S. Chamber’s 2008 State Liability Systems Ranking Study, California’s legal system ranked 44th worst out of the 50 states for fairness and reasonableness. This completes a minimum of six consecutive years in which California has hovered between 44th and 46th place in this study.

Respondents—general counsels and senior attorney or executives in companies with annual revenues of at least $100 million—give California especially low rankings for its treatment of class action lawsuits, tort or personal injury lawsuits, damages and contract litigation.

Reasons for Low Ranking

The following are some facts about California’s legal system that explain its low ranking:

● More than four class action lawsuits are filed every day that California superior courts are in session. California judges (especially in Los Angeles and San Francisco) are willing to certify class actions that are not certifiable in other states.

● In recent years, out-of-state law firms have opened offices in California to file asbestos claims that would have been barred in their home states.

The California Chamber of Commerce will continue to vigorously support reforms that improve the balance and fairness of the state’s legal system, while working aggressively to stop attempts to further exacerbate the state’s legal climate.

Staff Contact: Mira Guertin

CalChamber-Sponsored Seminars/Trade Shows

More information at www.calchamber.com/events.

Business Resources

Workers’ Compensation Legislative Education Day. California Coalition on Workers’ Compensation. April 5–6, Sacramento. (916) 554-3467.


International Trade

China and India Go Green. El Camino College Center for International Trade Development. March 30, Los Angeles. (310) 973-3175.


Stonetech 2010. CCPIT Building Materials Sub-council. April 6–9, Shanghai, China. kontakt@merebo.de.

 Asiawater 2010. AMB Exhibitions Sdn Bhd. April 6–9, Kuala Lumpur, Malaysia. kontakt@merebo.de.

 Hannover Messe 2010. Deutsche Messe AG. April 19–23, Hannover, Germany. eloisa.klementich@bth.ca.gov.

 International Green CEO Summit. Indonesian Chamber in Jakarta. April 28–May 1, Jakarta, Indonesia. grace@greenceosummit.com.


 Consular Corps Luncheon. NorCal World Trade Center. May 18, Davis. (916) 447-9827.

 Clean-Tech Trade Mission to China.

 Monterey Bay International Trade Association (MBITA) and Asia Gateway Inc. May 22–29, Shanghai, China. (831) 335-4780.


 Labor Law

Governor Signs Bill to Help Diversify Electricity Sources

From Page 1

“California now has more than 240 proposed renewable projects looking to build and create jobs. This action will help speed up the process for some of these large projects to break ground this year and qualify for federal stimulus funding. By working together, we can increase renewable energy development, create thousands of jobs and preserve our state’s cherished natural resources.”

The construction of the state’s energy infrastructure is vital to the economic growth of California. Although California is working aggressively to meet its ambitious environmental and energy goals, a number of issues are arising, causing delays in building the infrastructure that the state needs.

Streamline Project Timeline

One of these challenges is exemplified by the difficulty of getting projects through the approval process for construction. For this reason, it is even more important that the state look for ways to help streamline this arduous process in order to help the state meet its goals.

CalChamber Opposes Legislation Hindering U.S.-Colombia Trade

From Page 1

2006, is a critical element of the U.S. strategy to liberalize trade through multilateral, regional and bilateral initiatives. The agreement will also increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere.

The FTA is pending approval by the U.S. Congress.

Colombia Trade

Colombia is a dynamic economy with a pro-U.S. government, and with whom U.S. trade has nearly doubled in recent years. More than 9,000 U.S. companies export their products to Colombia and more than 85 percent of these are small and medium-sized companies. U.S. farmers and ranchers sell agricultural products to these markets, and U.S. manufacturers are enjoying double-digit sales growth that will only grow when the tariffs are removed.

The FTA will eliminate tariffs and other barriers to trade in goods and services, promote economic growth and enhance trade between the United States and Colombia. In 2009, the United States exported more than $9.5 billion worth of goods to Colombia, with total trade amounting to more than $20.7 billion.

California Benefits

The U.S.-Colombia FTA offers tremendous opportunities for California’s exporters. Colombia is California’s 35th largest trading partner, exporting more than $320 million in goods in 2009.

The agreement offers tremendous opportunities for California’s exporters, according to the U.S. Department of Commerce International Trade Administration. When the FTA enters into force, 80 percent of U.S. consumer and industrial exports to Colombia, including nearly all information technology products, mining, agriculture, construction equipment, medical and scientific equipment, auto parts, paper products and chemicals, will be duty-free immediately. The remaining tariffs phase out over 10 years.

Action Needed

The U.S.-Colombia FTA will benefit California and the United States as a whole. Please write the Assembly Jobs, Economic Development and the Economy Committee and your legislators and urge them to oppose AJR 27.

For a sample letter, visit www.calchamber.com/colombia.

Staff Contact: Susanne Stirling

Which candidate is best for California? Get the facts and decide for yourself.

Available exclusively at
CalChamber2010.com
Small Business Advocate of Year Award
Corona Banker Is ‘Visionary Leader’ in Local Business Community

Cynthia Schneider is referred to by her colleagues at the Corona Chamber of Commerce as a “visionary business leader.” It is something in which she takes humble pride.

“That is an extreme compliment,” said Schneider, a recipient of the California Chamber of Commerce Small Business Advocate of the Year Award. “I would say that if I have one gift, it’s being able to see the big picture—to see a need and to identify ways to fill that need.”

Schneider, a 35-year career banker, currently serves as executive vice president, chief administrative officer of American Security Bank.

Her Corona Chamber activity began in 1996 while working for Bank of San Bernardino (which ultimately became Business Bank of California). Her outgoing personality and marketing abilities helped her get recruited by the bank to help revitalize one of its struggling branches in Corona.

The first contact she made when she arrived was with the Corona Chamber.

Strategic Planning

Schneider helped turn the branch around and ended up moving to Corona with her husband.

During her first year in Corona, Schneider was invited to take a position on the Corona Chamber Board. She has since held roles as president, chair of the Corona Business Monthly magazine and currently serves as chairperson of the chamber’s Legislative Action Committee. She continues to hold a board position and is in her ninth year of service.

In 2002, Schneider developed and led a strategic planning session that would set the chamber on a direct path for years to come. The session streamlined the objectives of the chamber so there is a continuity of direction as the board of directors changes leadership.

“In the past what would happen was a new chairman would come in with all of their ideas, and six months later, just as they were getting things going, a new chamber president, with new ideas would step in. It wasn’t very efficient,” she said.

Political Involvement

In 2006, in anticipation of one annual strategic planning session, the Corona Chamber developed a survey sent to both members and non-members. The surveys asked recipients to rate the services the chamber provided and assess how important each was to the business community.

“The survey came back clearly showing that one of the things that was extremely important to the community, and which we were not doing at the time, was representing the interests of the business community with government. Survey respondents rated that as a benefit that they would consider crucial,” Schneider said.

As a result, Schneider helped spearhead an effort to increase the presence of the chamber in the political arena through the formation of a Legislative Action Committee.

Schneider uses one specific example when demonstrating how political action on the part of a chamber can help boost membership. Last year, after doing a presentation at the State Capitol on the Sunrise Powerlink® project (bringing renewable energy to San Diego), Schneider and a group of others from the Corona Chamber sat in on another committee hearing that was reviewing legislation intended to outlaw Styrofoam packaging containers.

The city of Corona is home to Dart Container, a large manufacturer of Styrofoam products. Dart Container was not a chamber member at the time, but that was a secondary concern for the group in Sacramento.

“We came back to Corona, called them and said, ‘Listen we were just in Sacramento and learned of a proposal on the floor that could be very damaging to your business. We want to help you,’” Schneider said.

“Over the course of about a month, we turned on a dime, bombarding Sacramento with letter-writing campaigns stressing the fact that the materials used by Dart Container were already recyclable and not adding to the landfill mass—a major concern for who would have them banned.”

The campaign was a success and Dart Container is now a member of the Corona Chamber, thanks to the visionary leadership of a local banker.
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