CalChamber Releases 2010 ‘Job Killer’ List; 37 Bills Threaten State’s Recovery

The California Chamber of Commerce this week released its annual list of “job killer” bills, calling attention to the negative impact the proposed measures would have on California’s competitiveness and job climate if they were to become law.

“This year’s CalChamber ‘job killer’ list includes 37 proposals that would make it even more difficult for California companies to remain viable in this difficult economy,” said CalChamber President and CEO Allan Zaremberg.

“Our businesses need to have certainty that they can be competitive before they will begin to reinvest in our economy. Not only do these bills send the wrong signal and create an uncertain environment for investment, but, if passed, they would create new costs that would harm our ability to recover and add new jobs.

“The only way out of these economic hard times is a rebound of the private sector. Our policy makers must focus on job creation, reducing regulatory burdens and holding the line on new costs. If enacted, these ‘job killer’ bills would make it even more difficult for us to

See ‘Job Killer’: Page 3

85th Annual Sacramento Host Breakfast
Governor, CalChamber Chair
Stress: Focus on Job Creation

In this time of economic uncertainty, California needs to focus on job creation, Governor Arnold Schwarzenegger and California Chamber of Commerce Chair Larree Renda said at the Sacramento Host Breakfast on May 18.

“Job killer” legislation is the last thing California needs, Schwarzenegger said during a question-and-answer session with CalChamber President and CEO Allan Zaremberg at the 85th annual breakfast.

“What we need is to do the opposite, what we need to do is to create jobs,” the Governor said. His last year in office is all about “job, jobs, jobs,” Schwarzenegger said.

The breakfast, sponsored by the 25-member Sacramento Host Committee and the CalChamber, attracts a statewide audience of hundreds of leaders from business, agriculture, industry, education, government, the military and the consular corps.

“I have experts in my office – you know like they have in rescue [missions]; those sniffing dogs. Well I have sniffing dogs over there that sniff out ‘job killers,’” Schwarzenegger said. “They come to me to tell me about all the ‘job killers,’ and then I sit down and I look at them and I say, ‘Hasta la vista, baby.’”

Zaremberg pointed out that the Governor has vetoed more than 200 “job killer” bills since taking office in 2003.

See Governor: Page 6

CalChamber Business Summit Stories/Photos Inside

Summit Awards: Pages 5, 11
Labor Law Corner

Interaction Between Pregnancy Leave, California Family Rights Act

retains job protection under the Pregnancy Disability Leave (PDL) law for that period.

As to whether additional time may be protected, you need to look at your own company policies and practices on providing employees with time off work.

In some cases the time required by PDL may be the minimum. For example, if an employer has granted another employee more than four months off work for some other disability, it would be discriminatory to not allow an employee who is pregnant to be provided with the same amount of time.

● Does the pregnancy leave end at childbirth, or is it the date provided in the doctor’s note taking the employee off work?

No, the pregnancy disability leave does not end at childbirth and may extend beyond the date in the doctor’s note. PDL protection covers pregnancy, childbirth and related medical conditions and therefore extends until such time as an employee is released to return to work.

It is important to keep in mind that the date specified in a doctor’s note taking the employee off work is not a firm date but an estimate of how much time the employee is expected to be off work. For employers, that date often is used as the date that the employee will either return to work or provide another doctor’s note extending the time off.

● When will the employee be eligible for baby bonding?

Employees are eligible for additional time in California under the California Family Rights Act (CFRA) once the baby is born and usually after the woman is released to return to work.

If the disability extended past the 88 working days of PDL, however, and the child was born on the 88th day, or anytime thereafter, the employee would be able to use baby bonding leave, even if she had not been released to return to work.

The time off work during the pregnancy leave of absence does count toward the employee’s one year of employment. Therefore at some point in the future, the woman will also be eligible for the CFRA and baby bonding once she has completed one year of employment and worked 1,250 hours during the preceding 12 months.

Leaves of absence often can be difficult to administer and many questions may arise. For further information, visit the time off provisions under HRCalifornia, www.hrcalifornia.com, review the California Chamber of Commerce California Labor Law Digest and/or call the Helpline.

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.

CalChamber-Sponsored Seminars/Trade Shows

More information at www.calchamber.com/events.

Business Resources


International Trade

Clean-Tech Trade Mission to China. See CalChamber-Sponsored: Page 13

CalChamber Calendar

Public Affairs Council Spring Retreat:

June 15, Sacramento
‘Job Killer’ Bills Threaten Economic Recovery

Based on a yet-to-be specified “premium structure,” in essence, a tax on all employers.

- SB 1121 (Florez; D-Shafter) Harms California Farms and Farm Workers. Places farms at a competitive disadvantage, increases cost of doing business for California farmers, and reduces available resources to invest in workers and farms by removing overtime exemption for agricultural employees.

- SB 1474 (Steinberg; D-Sacramento) Increased Agricultural Costs. Undermines the process that now guarantees through secret-ballot elections, a fair vote and the expression of agricultural employees’ true sentiments on the selection of a collective bargaining representative. This act will hurt California’s businesses by driving up costs, making employers less competitive in a global market.

Economic Development Barriers

- AB 656 (Torrico; D-Fremont)/ AB 1604 (Nava; D-Santa Barbara)/ ABX6 1 (Nava; D-Santa Barbara) Gas Price Increase. Increases gas prices and dependence on foreign oil by targeting the oil industry for a tax on only oil extracted in California, in addition to other taxes not levied in other states.

- AB 846 (Torrico; D-Fremont) Anti-Business Cost Increases. Significantly increases the cost of doing business in California by placing an automatic increase on fines and penalties without legislative review and encourages state agencies to levy the highest fine and penalty allowed.

- AB 1405 (De León; D-Los Angeles) Climate Change Tax Increase. Increases costs and discourages job growth by granting the Air Resources Board broad authority to implement unlimited fees and taxes with little or no oversight.

- AB 1639 (Nava; D-Santa Barbara) Delays Residential Construction Industry Recovery. Hinders recovery of the residential construction industry by reducing credit availability due to the imposition of a mandatory mortgage mediation program, which will lead to increased delays in resolving delinquent loans.

- AB 1836 (Furutani; D-South Los Angeles County) Increased Tax Burden. Harms small businesses, many of whom pay taxes under the personal income tax system, by imposing another temporary personal income tax increase on top of the existing personal income tax increase that was passed in last year’s budget.

- AB 1935 (De León; D-Los Angeles)/ SBX6 18 (Steinberg; D-Sacramento) Discourages Business Growth in California. Raises taxes for many companies with significant investments of property and payroll in California by making the single sales factor apportionment method mandatory.

- AB 1936 (De León; D-Los Angeles) Creates Inequity in the Tax Structure. Harms struggling small businesses and start-ups by repealing the net operating loss (NOL) carry back deduction, a lifeline that helps employers stay afloat, retain employees and continue investing in their businesses in an economic downturn.

- AB 2100 (Coto; D-San Jose)/ SB 1210 (Florez; D-Shafter) Targeted Tax Increase/Flawed Budget Philosophy. Threatens jobs in beverage, retail and restaurant industries by arbitrarily and unfairly targeting certain beverages for a new tax in order to fund obesity-prevention programs and services.

- AB 2171 (C. Calderon; D-Montebello) Discourages Investments. Creates substantial uncertainty for employers and discourages future investment in the state by effectively creating an annual sunset for all investment incentives, including tax credits, deductions and exemptions, and caps how much can be claimed each year.

- AB 2492 (Ammiano; D-San Francisco) Higher Employer Property Taxes. Undermines Proposition 13 protections and could result in higher property taxes for small businesses by creating an arbitrary and unfair standard for determining that a business property has changed ownership and needs to be reassessed.

- AB 2641 (Arambula; I-Fresno) Discourages Investments. Creates uncertainty for California employers making long-term investment decisions by requiring all future-enacted investment incentives to sunset after five years.

See ‘Job Killer’: Next Page
‘Job Killer’ Bills Threaten Economic Recovery

Expensive, Unnecessary Regulatory Burdens

● **AB 479/AB 737 (Chesbro; D-North Coast)** Expanded Waste Bureaucracy. Exposes employers to new requirements that may be unworkable or not cost effective by giving government broad new authority to impose programs that achieve a statewide solid waste diversion rate of 75 percent by 2020.

● **AB 2138 (Chesbro; D-North Coast)** Unworkable Mandate. Imposes new and costly mandates on California’s food service industry by imposing an unworkable framework aimed at reducing marine debris.

● **AB 2578 (Jones; D-Sacramento)** Inappropriate Price Control. Reduces health care choices, access and quality by creating additional bureaucracy to impose price controls on health insurance policies while failing to address the major cost drivers of rising medical costs.

Inflated Liability Costs

● **AB 1680 (Saldaña; D-San Diego)** Interferes with Contractual Agreements. Burdens businesses with unnecessary litigation costs and slows resolution of disputes by prohibiting enforcement of voluntary arbitration agreements if someone is being sued for a hate crime.

● **AB 2773 (Swanson; D-Alameda)** Undermines Judicial Discretion. Unreasonably increases business litigation costs by removing judicial discretion to reduce or eliminate exorbitant legal fees in fair employment and housing cases.
Small Business Advocate Award Goes to Long Beach, Fresno Leaders

The California Chamber of Commerce honored two small business executives this week with its 2010 Small Business Advocate of the Year award, recognizing recipients for their advocacy efforts on behalf of small businesses.

The CalChamber presented the awards at a luncheon before more than 400 attendees at the CalChamber Business Summit in Sacramento on May 17.

The 2010 Small Business Advocate of the Year Award recipients are:

- Joanne Davis, president, Davis Group Consulting, Long Beach;
- Debbie Hunsaker, president/chief financial officer, Alert-O-Lite, Fresno.

Honorees are nominated by local chambers and selected by a task force comprised of members of the CalChamber Small Business Committee and the Local Chamber Advisory Council.

The criteria used in the selection process include taking leadership roles in or working on federal, state or local ballot measures, testifying before the state Legislature and representing a local chamber of commerce before local government.

More information on the award recipients will appear in a future Alert.

Staff Contact: Dave Kilby

CalChamber Names 22 Local Chambers to President’s Circle

The California Chamber of Commerce this week recognized 22 local chambers of commerce with the President’s Circle award.

The award, first presented last year, recognizes chambers for excellence in business advocacy and helping their members comply with California employment laws.

2010 Award Recipients

The 2010 recipients of the President’s Circle award and the CEOs of those chambers are as follows:

- Greater Bakersfield Chamber: Debbie Moreno, president/CEO;
- Camarillo Chamber: Tom Kelley, president/CEO;
- Greater Conejo Valley Chamber: Jill Lederer, president/CEO;
- Corona Chamber: Robert Spiegel, president/CEO;
- Culver City Chamber: Steven Rose, president/CEO;
- El Centro Chamber and Visitors Bureau: Cathy Kennerson, CEO;
- Greater Fresno Area Chamber: Al Smith, president/CEO;
- Lake Elsinore Valley Chamber: Kim Cousins, president/CEO;
- Long Beach Area Chamber: Randy Gordon, president/CEO;
- Murrieta Chamber: Rex Oliver, president/CEO;
- Napa Chamber: Lisa Batto, CEO;
- Greater Oxnard Chamber: Nancy Lindholm, president/CEO;
- Palm Desert Chamber: Barbara deBoom, president/CEO;
- Pleasanton Chamber: Scott Raty, president/CEO;
- Porterville Chamber: Donnette Silva Carter, president/CEO;
- Greater Riverside Chambers: Cynthia Roth, president/CEO;
- Roseville Chamber: Wendy Gerg, CEO;
- Salinas Valley Chamber: Tom Carvey, president/CEO;
- San Diego East County Chamber: Mike Cully, president/CEO;
- Greater San Fernando Valley Chamber: Nancy Hoffman Vanyek, CEO;
- Turlock Chamber: Sharon Silva, president/CEO;
- Vallejo Chamber: Anita Hawkes, president/CEO.

President’s Circle award recipients published vote records of their state legislators on key business issues, generated letters to state elected officials on issues of interest to members, participated in the CalChamber compliance product resale program at an exemplary level and brought a delegation to Sacramento for the CalChamber Business Summit.

In 2009, 13 local chambers received the award.

Staff Contact: Steve Snyder
Governor, CalChamber Chair Stress: Focus on Job Creation

From Page 1

Employers Key

In remarks preceding the questions-and-answers with the Governor, Renda emphasized, “Employers are the bridge to California’s future. We are the key to helping our state get back to work.”

She called on breakfast attendees to commit to an “ongoing dialogue” with lawmakers.

“We need to tell our lawmakers that we will not look the other way while they vote on over-regulation, and vote on ‘job killing’ bills. We need to tell them our expectation is they will work with us—not against us—to put our state back on strong financial footing where it belongs,” Renda said.

The full text of Renda’s remarks begins on Page 7 of this Alert.

Open Primary Act

Getting the legislators to come together and make decisions based on what is best for California and not what is best for their party, is the main reason voters should support Proposition 14, the Top Two Candidates Open Primary Act, on the June ballot, Schwarzenegger noted.

“No matter who comes into office will be sick and tired of the dysfunction of our government,” Schwarzenegger said. The system is “producing people that are way to the left and people that are way to the right. Then when they come to Sacramento, they are too far apart, they cannot get together.”

He said the members of the Legislature are talented, good people, but that the system itself is “horrible.”

CalChamber-supported Proposition 14 would allow all voters to choose any candidate regardless of the candidate’s or voter’s political party preference and ensure the two candidates receiving the greatest number of votes will appear on the general election ballot.

Renda commented on the troubles that partisanship in the Legislature has created. “Sacramento seems paralyzed by gridlock and partisanship,” Renda said. “The vitality of California is threatened, not only by the economy, but by the persistent belief that the state’s businesses can bear any burden and somehow continue to provide jobs and drive growth. As my dad used to say back in Iowa, ‘That dog doesn’t hunt.’”

Budget Reform

The Governor said the private sector should not have to pay for the mistakes made by the Legislature through tax increases that hurt businesses.

“The problem in Sacramento is that they don’t understand business that well,” he said.

He compared the problem in Sacramento to the lack of leadership in New Orleans leading up to Hurricane Katrina in 2005.

“They knew for years that those levees were vulnerable. They knew for years that if a big storm comes it will wipe out the city, but they sat there and they hoped for the best and then what happened was finally Katrina came and wiped out the city. And now the economic decline came worldwide and it wiped out the state of California,” Schwarzenegger said.

The Governor has proposed budget reforms, including pension reform. The California pension system has increased from $150 million 10 years ago, to $3 billion today—a 2,000 percent increase, the Governor said. He said he wants to bring that number back to those 1999 levels.

Rainy Day Fund

Schwarzenegger also discussed the need for a rainy day fund, commenting that this year’s budget problem would have been $10 billion lower if the state had been saving.

He said he would like to broaden the sales tax exemption on green technology manufacturing equipment to all manufacturing equipment to stimulate the economy. He cited the homeowner tax credit as boosting home sales, construction and jobs. Three things he said he would like to work on during his final months as governor are tort reform, the new hire tax credit for businesses and cutting through the red tape of the construction permitting process.

Water Bond

The Governor also highlighted the long-term benefits of the water bond on the November ballot. In addition to taking care of the environment and the Delta, he noted, the package includes above-ground and below-ground water storage, “the canal, or which some people call ‘a conveyance’ because they don’t like the word canal,” and groundwater cleaning.

Third Term

Zaremberg closed the session by asking about Schwarzenegger’s recent statement that he wishes he could run for a third term. The Governor referred to the book “Pumping Iron” and his smiling through five-hour workouts, 500 sit-ups and the like “because each rep gets you a step closer to the goal.”

“Pumping Iron” and his smiling through five-hour workouts, 500 sit-ups and the like “because each rep gets you a step closer to the goal.”

In working to make California “a golden dream by the sea,” Schwarzenegger said, “I wouldn’t mind doing another term because it is great work and I’ve really enjoyed it, even though there were a lot of obstacles there.”

A transcript and video of the question-and-answer session appears at www.gov.ca.gov/speech/15175.

The CalChamber 2010 list of jobkillers is available at www.calchamber.com/ jobkillers.
Remarks by CalChamber Chair Larree M. Renda

Employers Key to Helping State Get Back to Work, Restoring California Dream

Following are remarks presented by 2010 California Chamber of Commerce Chair Larree M. Renda at the Sacramento Host Breakfast on May 18. Renda is executive vice president, chief strategist and administrative officer of Safeway, Inc.

Thank you, Joe [Genshlea, Sacramento Host Committee chair], for that kind introduction. I also want to thank the Sacramento Host Committee on behalf of the California Chamber of Commerce and our more than 15,000 member companies for putting on this event.

I am honored to be here as the chair of the California Chamber of Commerce Board of Directors. And I have to tell you that when I hear myself say that, it’s a little amazing to me. If someone had told me as a teenager growing up in Iowa that I’d be living in California and speaking at this event…well, I’d have written them off as just one more of those California nuts we heard so much about back then.

Of course, I wouldn’t have said that…I’m much too polite…I’d probably have just said that you were dreaming.

California Dream

But the fact is, my being here today really is kind of a dream. It’s part of the California dream that began for me 23 years ago when my husband and I put our first-born baby son in the Ford Taurus and headed for California—drove West to a place that really we only knew from the movies.

I remember being unsure about how well the movies had prepared me for California. On screen, it was an incredibly beautiful state with perfect weather, endless sunny beaches and glorious mountains. And, it was a state where anything seemed possible when you lived here. In a country created by people searching for a better life, California was where Americans went to make it happen.

When I arrived, it didn’t take long to figure out that the movies had been pretty truthful.

I was awed by the beauty of the mountains that greeted us as we crossed into California. And, coming from Iowa, I was very stunned by the traffic. We’re not used to freeways that have names instead of numbers—trust me, it’s a lot easier with numbers rather than names—but somehow we just figured it out as we went and we became interested in the state for how busy it was and we really did love it immediately. Millions of people, from every spot on the globe, going about the business of making better lives for themselves and also for their families.

For a long time, I was amazed at how one state could be so many different places at once. It was a desert state, with sizzling Palm Springs, but also a mountain state, with snowy Lake Tahoe. It was a hilly state with San Francisco, and I can remember times putting my kids in the back seat and going down the hills and listening to them giggle…and it was also a very flat state—a lot like Iowa—where tomato trucks used to squeeze our car as we raced down Highway 99 in the Central Valley.

Diversity

Not only were the people of California diverse and the terrain of California diverse, but the economy of the state was incredibly diverse. It was an agricultural state, just like Iowa, where I came from. But somehow, it was also a tourist state. And a manufacturing state. And the center of the entertainment world. And home to Silicon Valley, where new jobs and new industries were appearing...
Helping State Get Back to Work, Restoring California Dream

From Previous Page

Helping State Get Back to Work, Restoring California Dream

Home, where I cared for three kids that I
For me, the hard work took place at
Hard Work
had in a time span of all of 3-1/2 years, from oldest to youngest. I think there are probably some moms out there nodding in recognition because they’ve done the same thing…or maybe winning at the idea of three so close in age. But you know how gratifying that work is.

Opportunity
Here was a place where you didn’t have to come from the “right” family or ethnic group…or know the “right” people or have an education from the “right” schools to succeed.

California gave my husband and me

California gave my husband and me

This was really important to me, because I didn’t go to the “right” college. In fact, I didn’t go to any college. When I attended the graduation of that baby boy who came with us in the Ford Taurus to California, it was the very first one in the entire history of our family, both my husband’s and mine.

I’m happy to say it was the first of many. I attended my daughter’s college graduation last weekend. And I’ve got one more in college now. In fact, he’s taking advantage of his own California dream attending UC Berkeley on a baseball scholarship. Go, Bears! The future of our family is going to be very busy with graduations, thanks in large part to the opportunities that waited for us in California.

California gave my husband and me

Hard Work
For me, the hard work took place at

Safeway gave me the opportunity
to take the talents God gave me, match them with hard work, and move forward. The company gave me an opportunity to build a career, starting as a clerk in Des Moines, Iowa to the position that I hold today.

Safeway operates 1,725 stores in 21 states. And we are a California company. We’re the state’s largest retailer and second-largest private employer—we have more than 540 stores and 63,000 employees right here in this great state. Depending on where you live in California, you may know us as Safeway, Vons, Pavilions or Pak ’n Save.

While our line of business may be different than yours, I like to think that we represent what many California companies are doing today. We want to be more than just the place where you buy your milk, bread and eggs. We want to be an important part of our customers’ and our employees’ lives and we want to make a difference in the communities that we serve.

We have worked hard to ensure that our workforce reflects the diverse communities that we serve. The workers in our stores are as diverse as California itself, with people from every race and background serving our customers and supporting their families. And, we’re proud to be one of the largest employers of people with disabilities in the state. Company-wide, we employ nearly 10,000 people with disabilities. We’re very proud of that and the numbers are growing.

Taking Care of Employees
We believe in taking care of our employees. We are in the second year of a voluntary program designed to help employees understand their own personal health risks and lower their chances of heart disease or cancer or obesity and other conditions that plague them and take away from their quality of life. Our workforce is becoming healthier. Our total per capita cost of health care has remained nearly flat over the last five years. I’m not sure how many people can make that claim. But we’ve done that all while improving our employees’ quality of life and helping them to become healthier.

And, like so many of you, we have worked hard to support causes that are important to our customers and employees. Last year, we raised more than $250 million to support causes like cancer research, people with disabilities, hunger relief and human services programs. We funded research and services in the area of breast and prostate cancer totaling $132 million over the last nine years, and we’re very proud of that.

The money we raise for these important causes goes not only to national

“Our workforce is becoming healthier. Our total per capita cost of health care has remained nearly flat over the last five years.”

Mowing lawns, my only job has been at Safeway. I started there and I stayed and I’m celebrating my 36th year…Of course I started at the age of 3!

Larree M. Renda

May 21, 2010 • Page 8
California Chamber of Commerce
Helping State Get Back to Work, Restoring California Dream

From Previous Page
organizations, but also it’s important to us to support local organizations so the money we raise stays in the local community. Many times it’s really our funding that allows a lot of organizations and charities to keep their doors open. Otherwise, without our help, they would have to stop helping the people they do help.

Volunteer Culture
And recently we launched an initiative designed to create a more structured and unified volunteer culture at Safeway. We have thousands of employees volunteering their time to a number of causes. Now we can serve as the matchmaker to make sure that EVERY single employee who wants to volunteer has our help in finding the right opportunity to give back their time. We’ve set an impressive goal that I know we’re going to exceed to donate one million employee volunteer hours annually, and we are well on our way to that goal.

And, like many of your companies, Safeway pursues sustainable business practices as California companies continue to be on the forefront in efforts to reduce greenhouse gases and support the global drive toward zero-waste business practices.

Each of you here represents a company with its own list of projects, charities and community efforts. Together, we California companies recognize that California has given us great opportunities in the form of natural resources and a committed workforce, and we are working to keep our state a great place to live, to work and to raise a family.

Every day in every city in the state, we are working as businesses to keep our state as great, as breathtaking, as full of opportunity as it was when we were born here…or when we traveled here in a Ford Taurus and wondered how one state could be so magnificent.

Call to Action
These certainly are the most difficult economic times most of us have ever faced. The efforts of our businesses are needed more now than ever. And, the support of our political leaders is needed now more than ever.

And yet, Sacramento seems paralyzed by gridlock and partisanship. The state’s greatest problems go unsolved while we read daily of more and more legislation that’s not central to our state’s long-term well-being and vitality.

The vitality of California is threatened not only by the economy, but by the persistent belief that the state’s businesses can bear any burden and somehow continue to provide jobs and drive growth. As my Dad used to say back in Iowa, “That dog doesn’t hunt.”

Our state has operated as though we could regulate, tax and inhibit employers year after year without paying a price for doing so.

It’s clear now that that isn’t so. Unemployment in our state is at 12.5 percent. Our political system is in a state of perpetual gridlock. New or expanding businesses face a mountain of regulation as high as those mountains that I was in awe of as I crossed the border.

In this room today is the state’s greatest resource in these tough economic times.

“Employers are the bridge to California’s future. We are the key to helping our state get back to work.”

Message for Lawmakers
Employers are the bridge to California’s future. We are the key to helping our state get back to work. This is a message that absolutely has to be given to our lawmakers.

I know the politics are sometimes frustrating and it’s very tempting to throw up your hands and walk away, or worse yet, move away. But the state cannot afford for us to do that right now.

It is time for us as employers to commit to an ongoing dialogue with our lawmakers. We need to tell them that we have no interest in gridlock or partisan scorekeeping. We need Democrats and Republicans to work together to solve our state’s problems.

We need to tell our lawmakers that we will not look the other way while they vote on over-regulation, while they vote on job killing bills. We need to tell them our expectation is that they will work with us—not against us—to put our state back on strong financial footing where it belongs.

But we, in turn, need to be willing to hear their concerns and priorities so we can provide business-friendly solutions that meet everyone’s needs. If we’re going to have policies that restore the California dream, we have to work together to accomplish that goal. And, we must be willing to roll up our sleeves and help get that done.

Talks with Candidates
In this election year, we need to have these talks with candidates before they get to Sacramento. We need to be clear that our votes and support will go to candidates who will support business in our great state.

We also have to let these candidates know that we will be here to partner with them when they assume office. And that we want to work with them; we will not walk away from a fight if that fight is to protect business in California.

The current state of the economy has interrupted the dreams of many Californians…and now it’s time to wake up and it’s time to take action.

Yes, these things are easy to say and hard to do—I realize that. But I’m someone who believes that anything can be accomplished with the right focus and COURAGE and a will to win. Our state is filled with millions of stories of people doing what everyone else wrote off as too difficult. In a way, my life has been exactly that kind of a story. I believe we can do it and I encourage everyone gathered here to believe it too.

Renew California
I invite you to join me and the CalChamber as we work to make the business community’s voice heard louder and clearer in Sacramento. If you haven’t already, many of you will hear more about “Renew California,” our Economic Recovery and Job Creation Action Plan, and about our job creators bill list.

With your help, we will succeed. By working together and encouraging change in Sacramento, we can restore the California dream for ourselves, and for our children and generations of Californians to come. And we can give them a state as glorious and breathtaking and as full of opportunity as the one we inherited.
America has hit the “reset” button in many different areas, Newsweek Senior Washington Correspondent and Columnist Howard Fineman said this week at the California Chamber of Commerce Business Summit in Sacramento.

Change is happening in the media, in business, in the demographics of the country and the economics of the world, Fineman told more than 400 Summit attendees on May 17 before catching a red-eye flight to Philadelphia to cover the primaries in Kentucky, Arkansas, Oregon and Pennsylvania.

“It’s a tumultuous time, one that I think you can say began with the dot com bust, then continued through 9/11, the Great Recession, the election of Barack Obama, and now the crisis in Europe over the Euro and the oil spill in the Gulf,” said Fineman, who also serves as Newsweek’s senior editor and deputy Washington bureau chief.

Fineman said that times are even more complicated back where he works in “America’s largest theme park, AKA Hollywood on the Potomac [River],” where everything tends to “get ground up in sound bytes and TV shows.”

He pointed out that Americans are still unsure about the future of the economy even though poll numbers on the topic have improved slightly since President Obama took office.

According to a recent NBC and The Wall Street Journal poll, 34 percent of Americans think the country is going in the right direction. That number was at 12 percent in November 2008 when President Obama took office.

“Now that’s an improvement from where things were in November 2008, but not a dramatic reversal,” Fineman said. “I know that there are counties in parts of California that have unemployment rates in the 20s.”

He added, “So that’s one reason why Barack Obama is not running around the country crowing about the economy.”

Obama’s Troubles

Fineman discussed some of the backlash President Obama has faced in his young presidency after increasing government spending, passing the stimulus bill, approving industry bailouts and passing the health care bill.

“Whether you think Barack Obama is a raging liberal or whatever label you want to put on him, the circumstances that he came into power dealing with either allowed him, or encouraged him, or enabled him, to propose a lot of big government answers to things,” Fineman said.

To compound this backlash, most Americans don’t think the $800 billion stimulus package has done much good in boosting the struggling economy. Fineman said only 18 percent of the American people think the Recovery Act has helped the economy so far, and that another 20 percent think it might help in the future.

“He put a lot of money on a lot of government, and that is OK up to a point,” Fineman said. “It certainly alienated most independent voters in the country.”

Fineman added, “The only good news for Barack Obama in the relative landscape of things is that politics is a game of comparisons.”

President Obama’s approval rating (which is at 48 percent, down from 62 percent when he was elected) is much better than Congress’ approval rating. Only 11 percent of the American people think that the Democrats in Congress are doing a good job, while only 8 percent of the public thinks the Republicans in Congress are doing a good job, Fineman reported.

Fineman said the reason President Obama is losing popularity is because of the “larger-than-life” reputation that he built for himself and that everything is “all about him.” Because of this, the Democrats have no popular surrogates who can testify on Obama’s behalf, Fineman noted.

“Barack Obama is such a big figure, such a dominant personality in the media and political world, that nobody is testifying for him because he is bigger than everybody in the national consciousness,” Fineman said. “For Democrats who like him, that is an inspiration, but for people who don’t like him, that is an inspiration too.”

Because of this, Fineman said he expects a big turnover in the fall midterm elections.

See Newsweek: Next Page
Culver City Chamber CEO Receives Political Partnership Award

Steven Rose, president/CEO of the Culver City Chamber of Commerce, was awarded with the California Chamber of Commerce Political Partnership Award on May 17.

Rose received the award at the CalChamber Business Summit for assisting the CalChamber in the successful special election campaigns of Senator Curren D. Price Jr. (D-Inglewood) and Assemblyman Steven C. Bradford (D-Gardena) in 2009.

In those races, Rose organized support for fundraising, pushed “get out the vote” and lobbied for candidate endorsements.

“Steven Rose was instrumental in these districts to help our successful independent expenditure and fundraising efforts,” said Rob Lapsley, CalChamber vice president, public affairs. “We are grateful for his leadership, advice and action.”

Rose has been with the Culver City Chamber for 23 years, and

Newsweek Correspondent Says Country Has Hit ‘Reset’ Button

From Previous Page

Fall Elections

Quoting another poll, Fineman said that when Democrats are asked why they want to go vote this fall, it is because they like the policies of the Democrats in office, but when Republicans are asked why they want to vote this fall, on more than a 2-to-1 ratio, it is “because they don’t like Obama…it’s personal.”

Fineman said he expects the Republicans to pick up at least 30 seats in the U.S. House of Representatives and at least five seats in the U.S. Senate.

Fineman correctly predicted that Rand Paul, son of Republican Congressman Ron Paul, would defeat Kentucky Secretary of State Trey Grayson in the May 18 primary to replace Republican Kentucky Senator Jim Bunning. Although it is not clear whether Paul can win against the Democrat candidate in the fall election, Kentucky has been trending more conservative culturally, Fineman said.

Fineman described Paul as a small government man who would “make Barry Goldwater look like FDR.”

He referred to the Pennsylvania primary between Senator Arlen Specter and Congressman Joe Sestak as a “steel-caged death match.” (Specter lost to Sestak in the May 18 primary.)

The key part of the midterm election strategy for President Obama will be to remind Americans “how bad things were, how much fear there was and how much, in his view, the Republicans screwed things up,” Fineman said.

Immigration

Fineman commented on the recently passed Arizona immigration law toward the end of his presentation. Referencing a pollster friend, Fineman said that every year starting this year for the next 20 years, a half-million Latino kids will become eligible to vote and by 2020, Hispanic Americans will not be a majority but a plurality in this country.

“This is the big reset that most people don’t think about except in places like California,” Fineman said. “This is the most difficult issue for politicians to grasp.”

He said he expects the immigration issue to be front and center in the California gubernatorial race as well as the fall elections.

“Any Republican who is not for the Arizona measure, or something even harsher, is going to have a hard time winning the nomination or winning Republican support,” Fineman said.
CalChamber Business Summit

Is California Ungovernable? Comments from Political Strategists, Former Governor

California is more difficult to govern than it was even a decade ago.

That seemed one area of consensus as two panels at the California Chamber of Commerce Business Summit discussed the question: “Is California Ungovernable?”

More than 400 local chamber of commerce and business leaders from throughout the state traveled to Sacramento for the May 17 session.

Reasons panelists cited for the dysfunction of state government included domination of both major parties by ideological extremists, unwillingness to address the state’s budget gap, term limits and lack of strong leadership.

Political Strategists Comment

The first panel to comment on the question was made up of political strategists from both political parties.

- Jim Brulte, a partner with the public affairs consulting firm California Strategies and a former Senate Republican leader, commented that the political process is increasingly dominated by ideologues of both the left and the right.

Consequently, the percentage of voters registered as “decline to state” has increased from 10 percent in 1990 to 20 percent today, he said.

In the term limit environment, he added, an elected official is “not around long enough for your core constituency to ever trust you.”

- Gale Kaufman, president of Kaufman Campaign Consultants, which has guided Democratic candidates to success at the local, state and national levels, lamented the lack of focused attention on the state’s chronic budget gap.

She noted there is a lack of any planning to meet in the middle and do something that used to happen on a regular basis. Without strong leadership from the standpoint of taking risks, she said, “we are virtually unmanageable.”

- Garry South, a principal with California Strategies who guided the

Allan Zaremberg
CalChamber President and CEO

“This year is going to set the tone for how the policy and the politics are established in California for the next decade.”

Jim Brulte
Partner, California Strategies

“Strong chief executives can compensate for the structural weaknesses in partisanship. I mean the dirty little secret of legislative bodies is they respect, they react to and ultimately they reward strong chief executives.”

Gale Kaufman
President, Kaufman Campaign Consultants

“Yes, California is manageable, but I will tell you the truth, it is getting to a place...without a lot of structural change and a lot of hopefully, more aggressive and better leadership from the standpoint of taking and getting a little out there on either side of the aisle...I think we are virtually unmanageable.”

Garry South
Principal, California Strategies

“You have governors who simply do not have the ability...to develop the personal relationships with the legislators at the rank-and-file level for sure, but even at the leadership level because it is a constantly changing cast of characters...That lack of personal history is a huge problem for a governor.”
Is State Ungovernable? Political Strategists, Former Governor Comment

From Previous Page

successful campaigns of former Governor Gray Davis, said term limits are the main reason Sacramento is dysfunctional.

Previous legislative leaders led their houses through the administrations of several governors, South noted. Former Assembly Speaker Willie Brown (D-San Francisco) led the lower house from 1980-1995, while Senate President Pro-Tem David Roberti (D-Los Angeles) presided over the upper house from 1981–1994.

In contrast, since 1995, there have been 11 speakers in the Assembly and since 1994, there have been four Senate president pro-tems, South said.

The short tenures make it difficult for legislative leaders to wield influence, South said. If legislators in your own caucus don’t like you, they can wait you out, South said.

Former Governor Wilson

Former Governor Pete Wilson agreed there are “structural impediments” to the effective functioning of state government. He advocated being clear on the administration’s position early in the process.

“You have to be heard clearly, loudly and early enough to make a difference,” Wilson said.

He also encouraged businesses to emphasize their concerns to elected officials. “You are entitled to be just as aggressive in holding people accountable as the public employee unions have been,” he said. “My friends, don’t be polite to a fault, because if so, it would be a very costly error.”

He encouraged the business community to be more active in the elections process and explaining the consequences of policies adopted by elected officials. “If you are an employer, you have every right to talk to your employees and to share with them some facts of life, and if you are in the private sector, your ability to make a profit should be a relevant consideration as to whether or not they will have a job.”

CalChamber-Sponsored Seminars/Trade Shows

From Page 2

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

7th World Chambers of Commerce. International Chamber of Commerce. June 8–10, Mexico City. (212) 703-5065.


Indo Aquaculture 2010. Indonesia Directorate General of Livestock Services, Department of Agriculture. July 8–10, Jakarta, Indonesia. kontakt@merebo.de.

Indomeelex 2010. PT. Napindo Media Ashatama. July 28–30, Surabaya, Indonesia. contact@merebo.de.


CalChamber Board Agenda Includes Look at U.S. Senate Race, State Budget Crisis

U.S. Senate candidate Tom Campbell, who represented districts in the Silicon Valley in Congress and the state Senate for many years, outlines steps he thinks are needed to reverse federal over-regulation at the CalChamber Board of Directors meeting on May 18.

CalChamber Positions on June Ballot Propositions

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<th>Proposition</th>
<th>Subject</th>
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<tr>
<td>Proposition 13</td>
<td>Bars property tax increases on construction for seismic retrofits</td>
<td>Support</td>
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<tr>
<td>Proposition 14</td>
<td>Increases right to participate in primary elections</td>
<td>Support</td>
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<tr>
<td>Proposition 15</td>
<td>Repeals ban on public funding of political campaigns</td>
<td>Oppose</td>
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<td>Proposition 16</td>
<td>New two-thirds voter approval for local public electricity providers</td>
<td>Support</td>
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<tr>
<td>Proposition 17</td>
<td>Makes continuous coverage auto insurance discount portable</td>
<td>Support</td>
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Senator Republican Leader Dennis Hollingsworth (Murrieta) outlines his caucus’s job creation proposals and comments on the politics of the state budget process at the dinner gathering of the CalChamber Board of Directors on May 17.

Susan Kennedy, chief of staff to Governor Arnold Schwarzenegger, describes for the CalChamber Board of Directors how the administration has kept the lid on state spending growth and outlines the challenges to resolving the budget shortfall this year.
CalChamber Forum: Asia-Pacific, Exports, Economic Development

The vital role international trade plays in California’s economic recovery was discussed by two trade officials from the Obama administration during an international forum this week presented by the California Chamber of Commerce Council for International Trade.

The more than 100 forum attendees also were introduced to the executive director of the newly created Governor’s Office of Economic Development (GoED).

Asia Pacific

Demetrios Marantis, deputy U.S. trade representative Asia and Africa Division, Office of the U.S. Trade Representative, discussed Asia Pacific Economic Cooperation (APEC) issues and the U.S.-hosted APEC meetings scheduled for 2011.

California is expected to have an opportunity to host one or more of the key APEC meetings leading up to the heads-of-state meeting and CEO summit in Honolulu.

The California APEC 2011 Organizing Committee (CalAPEC) is a coalition of business, government and international organizations working to ensure that key meetings take place in California and that U.S. objectives reflect good policy for the Golden State. California is more dependent on Asia-Pacific business than any other U.S. state.

Collectively, the 21 economies of APEC, which touch the Pacific Ocean, represent a large consumer market—nearly half the world’s population, nearly half of all world trade and more than $19 trillion in economic output.

More information is available at www.calchamber.com/APEC.

National Export Initiative

Suresh Kumar, assistant secretary for trade promotion, director-general of U.S. and Foreign Commercial Service, U.S. Department of Commerce, discussed President Barack Obama’s National Export Initiative.

The initiative directs the government to continue its efforts to remove barriers that prevent U.S. companies from getting open and fair access to foreign markets—including combating unfair tariff and non-tariff barriers and addressing practices that blatantly harm U.S. companies.

Kumar explained that the administration will pursue trade agreements that are balanced, ambitious and improve market access for U.S. workers, firms, farmers and ranchers.

More information is available at www.export.gov.

GoED

Those who want to do business in California must interact with the state in many ways, such as establishing, registering and maintaining their businesses, obtaining permits and licenses, reporting required information and paying taxes.

The state also has more than 100 individual economic development programs and services available to businesses.

Joel Ayala, executive director of GoED, explained that experienced staff will guide businesses through the various state requirements and help them gain access to state resources.

GoED can be contacted toll-free at 877-345-GoED (877-345-4633) or at www.business.ca.gov.

Staff Contact: Susanne Stirling

Ambassador Demetrios Marantis, deputy U.S. trade representative (at podium), gives an overview of Asia Pacific Economic Cooperation (APEC) issues at the May 17 International Forum presented by the CalChamber Council for International Trade, chaired by Susan Corrales-Dias (second from right). Other speakers were Joel Ayala (left), executive director of the newly created Governor’s Office of Economic Development (GoED); and Suresh Kumar, assistant secretary for trade promotion, U.S. Department of Commerce, who spoke on the President’s National Export Initiative.
This summer you are required to provide training to avoid on-the-job heat illness.

Summer’s coming and your company may face a liability that rises with the temperature. Cal/OSHA requires heat illness prevention for all California outdoor workers. This includes providing access to drinking water, shade and training for preventing, recognizing and treating heat illness to everyone working outside. Don’t take a chance with the heat. Prevent injuries, fines and lawsuits with our Heat Illness Prevention Kit.

Get a $10 Target GiftCard* when you purchase $100 in Heat Illness products by 6/18/10. Use priority code THA. *CalChamber Preferred and Executive Members get their 20% discount as well.

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