

ALERT

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CalChamber Sounds Alarm on Impact of Proposition 19

Legal Analysis Reveals Serious Workplace Issues



Proposition 19, the Regulate, Control and Tax Cannabis Act of 2010, not only would legalize pot use in California, it also would create a legal quagmire for employers by compromising

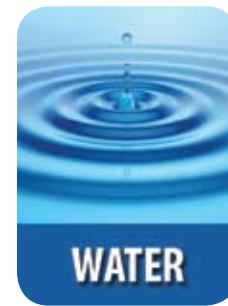
workplace safety and establishing a new class of protected workers in the state, according to a legal analysis released on August 12 by the California Chamber of Commerce.

“This initiative would change the way employers are required to do business in our state,” said Allan Zaremborg, CalChamber president and CEO. “Essentially any employer would be required to offer marijuana users extra protections above those provided to other employees.”

“If Proposition 19 becomes law, our state’s workers will face increased exposure to injuries and our employers will face increased exposure to liability,” Zaremborg continued. “Proposition 19 is bad for employers and their employees.”

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Governor, Legislature Move Water Bond to 2012 Ballot



Governor Arnold Schwarzenegger and the California State Legislature have approved legislation to move Proposition 18, the Safe, Clean and Reliable Drinking Water Supply Act to the November

2012 statewide ballot.

The water bond is vital to the reliability of California’s statewide water supply. In early July, the California Chamber of Commerce issued a news release explaining that it is critical that the campaign has sufficient time and resources so that voters fully understand the issues at stake and the need for the bond.

Time Needed

“As everyone knows, in a state as large as California, an education campaign takes time and money,” said Allan Zaremborg, CalChamber president and CEO. “Moving the vote on the water bond until 2012 makes sense because it will give us the time needed to get our message out and properly educate voters about how important an improved water infrastructure will be to California.”

“Voter research confirms that when educated on the need and benefits to their

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Photo by Megan Wood

CalChamber President and CEO Allan Zaremborg discusses how Proposition 19 hurts employers and their employees during an August 12 press conference.

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Committee Passes Colombia FTA Resolution: Page 3

Cal/OSHA Corner

California May Be Set for New Rulemaking on Crane, Derrick Standards



Mel Davis
Cal/OSHA Advisor

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) on July 28 announced the completion and pending publication of new cranes and derricks standards. Will our California crane and derrick use be affected by the new OSHA regulations?

As with all new OSHA regulations, State Plan States must issue job safety and health standards that are "at least as effective as" comparable federal standards within six months of federal issuance. Even though California has extensive crane and derrick regulations, including extensive tower crane regulations, the sheer volume and scope of OSHA's regulation may result in California having to do rulemaking to meet the federal mandate of being "at least as effective as."

If additional rulemaking is required, a future Cal/OSHA Corner article will address the differences and where they may be found within Title 8.

Key Requirements

This new regulation will comprehensively address key hazards related to cranes and derricks on construction work sites, including the four main causes of worker death and injury: electrocution, falling, being crushed by parts of the equipment and being struck by equipment/load.

Some significant requirements of this regulation include: a pre-erection inspection of tower crane parts; use of synthetic slings in accordance with the manufacturer's instructions during assembly/disassembly work; assessment of ground conditions; qualification or certification of crane operators; and

procedures for working in the vicinity of power lines.

Space does not permit a complete outline of the 223 pages of regulation that OSHA has promulgated.

The new standard released by OSHA addresses the use of cranes and derricks in construction, replacing the previous standard that had been in place virtually unrevised since the advent of OSHA in 1971. The number of fatalities associated with the use of cranes and derricks in construction and the number of technological advances in equipment since the publication of the old regulation led the labor department to undertake this rulemaking.

Effective Date

The regulation becomes effective on November 7—90 days after the date the final rule was published in the **Federal Register**. Certain provisions have delayed effective dates ranging from one to four years. A copy of the regulatory text and the full rule, including the preamble, is available at www.osha.gov.

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CalChamber-Sponsored Seminars/Trade Shows

More information at
www.calchamber.com/events.

Business Resources

Northern California Water Tour. Water Education Foundation. September 22–24, Sacramento. (916) 444-6240.

Entrepreneurial Institute. National Black MBA Association. September 24, Los Angeles. (312) 580-8569.

2010 Aerotech Expo Job Fair. Aerotech News and Review. September 25, Lancaster. (877) 247-9288.

Green Initiatives Conference. Fidelity One Conferences. September 29–30, Atlanta. (404) 865-1438.

Second Annual California Sustainable Tourism Summit. California Travel

and Tourism Commission. October 14–15, Lake Tahoe. (916) 319-5426.

Labor Law

Meal and Rest Break Basics (Free Webinar). CalBizCentral. August 25. (800) 331-8877.

Paid Time Off Issues (Live Webinar). CalBizCentral. September 1. (800) 331-8877.

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CalChamber Calendar

Public Affairs Council Post-Election Retreat

November 10–12



Senate Committee Passes Joint Resolution Hindering U.S.-Colombia Trade Agreement

A California Chamber of Commerce-**opposed** state resolution that compels Congress to oppose the U.S.-Colombia Free Trade Agreement (FTA) passed a Senate committee this week on a party-line vote.

AJR 27 (Torrico; D-Fremont), an Assembly Joint Resolution, would cast the FTA and Colombia in an unproductive light if it were to pass the Legislature.

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 2006, is a critical element of the U.S. strategy to liberalize trade through multilateral, regional and bilateral initiatives. The agreement also will 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 International Trade Administration of the U.S. Department of Commerce. 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.

Key Vote

AJR 27 passed the Senate Business, Professions and Economic Development Committee on August 9 on a vote of 5-2.

Ayes: Negrete-McLeod (D-Chino), Corbett (D-San Leandro), Correa (D-Santa Ana), Florez (D-Shafter), Yee (D-San Francisco).

Noes: Aanestad (R-Grass Valley), Wyland (R-Carlsbad).

Absent, Abstaining, Not Voting: R. Calderon (D-Montebello), Walters (R-Laguna Niguel).

Action Needed

AJR 27 is now awaiting action on the Senate floor. The CalChamber is urging members of the business community to contact their Senate representative and urge them to **oppose AJR 27**.

For a sample letter, visit www.calchamber.com/colombia.
Staff Contact: Susanne Stirling

CalChamber-Sponsored Seminars/Trade Shows

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HRCalifornia Guided Site Tour (Free Webinar). CalBizCentral. September 22. (800) 331-8877.

International Trade

N-Expo/Kansai '10. Japan External Trade Organization/Nippo Co. Ltd. September 1-3, Osaka, Japan. (415) 392-1333.

U.S. - Asia Expo 2010. U.S. Asia Business Forum. September 17-19, Los Angeles. (562) 607-2861.

Trade Mission to North Africa. National U.S.-Arab Chamber of Commerce. September 20-30, Libya, Tunisia, Algeria. (202) 289-5920.

Business Mission to Dubai. Chester

County Chamber of Business and Industry. September 21-28, Dubai. (610) 725-9100.

Green ICT and Energy Trade Mission to Mexico City. U.S. Commercial Service. September 27-29, Mexico City. Aliza.Totayo@trade.gov.

U.S.-Sri Lanka: Pvt-Public Partnership Conference. Sri Lanka Embassy-WDC. October 13-14, Sri Lanka. (202) 483-4029.

Cambodia Industry Shows. Merebo Messe Marketing. October 21-23, Phnom Penh, Cambodia. contact@merebo.com.

Deal-Making Clean Tech Trade Mission to China. Monterey Bay International

Trade Association (MBITA). October 23-30, Shanghai, China. (831) 335-4780.

Americas Business Trade Mission. U.S. Commercial Service of the International Trade Administration, U.S. Department of Commerce.

October 25-28, Mexico City and Monterrey, Mexico. (310) 235-7205.

International Buyer-Seller Meeting 2010. Sri Lanka Consulate. October 28-29, Colombo, Sri Lanka. (213) 387-0214.

China International Industry Fair. Shanghai World Expo Group. November 9-13, Shanghai, China. ciif@shanghaiexpogroup.com.

CalChamber Sounds Alarm on Impact of Proposition 19

Legal Analysis Reveals Serious Impact on Workplace If Measure Becomes Law

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Impact on Workplace

Proposition 19 seeks to legalize the cultivation, processing, transportation, distribution and sale of marijuana for personal use in California. The measure is written in a way that blurs the line for employers regarding important workplace issues, however, including whether or not employers must allow marijuana smoking at work and who will pay for marijuana-related accidents.

Legal Analysis

CalChamber Employment Law Advisor Jennifer Shaw, who prepared the analysis, points out that the measure establishes a new, higher, but yet undefined standard of “actual impairment.”

According to Shaw, under this standard, an employer cannot take any action related to an employee’s use of marijuana and their potential threat to workplace safety as is currently the case for alcohol. For example, if a forklift driver showed up reeking of marijuana smoke, an employer could not take disciplinary action until it could be proven that the employee’s job performance was “actually impaired” by the marijuana use (for example, after an accident occurred).

More Protection than Alcohol

Under Proposition 19, marijuana would be more protected than alcohol.



Photo by Megan Wood

CalChamber Employment Law Advisor Jennifer Shaw presents a legal analysis of Proposition 19. The measure would increase costs and create safety issues for employers.

“Imagine a workplace where employees show up to work high and there’s nothing an employer can do about it,” Shaw said. “It is pretty clear that Proposition 19 will lead to many unfortunate outcomes, including compromised workplace safety, discrimination lawsuits filed by employees who use marijuana but got fired for poor performance and increased costs of liability insurance.”

Last month, the CalChamber’s

products division—HRCalifornia—began looking into the employer implications should Proposition 19 become law. That initial review raised many questions and led to the preparation of the full legal analysis by the CalChamber’s employment law advisor, released August 12.

More Information

A full copy of the legal analysis is available at www.calchamber.com.

CalChamber Positions on November Ballot Propositions

Proposition	Subject	Position
Proposition 18	Safe, Clean and Reliable Drinking Water Supply Act of 2010	Moved to 2012 ballot
Proposition 19	Regulate, Control and Tax Cannabis Act of 2010	Oppose
Proposition 20	Redistricting of Congressional Districts—Voters FIRST Act for Congress	Support
Proposition 22	Local Taxpayer, Public Safety and Transportation Protection Act	Support
Proposition 24	Repeal Corporate Tax Loopholes Act	Oppose
Proposition 25	On Time Budget Act of 2010	Oppose
Proposition 26	Stop Hidden Taxes Initiative	Support
Proposition 27	Eliminates State Commission on Redistricting	Oppose

U.S. Chamber Endorses Fiorina for California Senate; Spotlights Pro-Business Record

The U.S. Chamber of Commerce announced its endorsement of Carly Fiorina for Senate this week during a two-day, six-city tour that highlighted her record of supporting the state's businesses and workers.

"We're endorsing Carly because she understands the challenges businesses are facing and will stand up for the people of California during these tough economic times," said Bill Miller, the U.S. Chamber's senior vice president and national political director. "She is an invaluable leader who has a common sense approach to job creation and getting America back on the road to recovery."

Spur Business Growth

Fiorina is pushing to spur business growth and job creation in California by advocating for competitive tax rates for businesses, supporting a comprehensive energy plan that creates jobs and protecting workers' rights to a secret ballot election in union organizing drives. Fiorina understands that while small businesses and entrepreneurs are America's job creators, they cannot grow until Washington reduces burdensome regulations.



U.S. Senate candidate Carly Fiorina (left) and U.S. Chamber of Commerce Senior Vice President and National Political Director Bill Miller (right) discuss a "common sense approach to job creation" during an August 11 event held at Blue Diamond Growers in Sacramento.

"On issues ranging from competition in the health care industry, to lowering taxes, to reducing energy costs, California's businesses and workers will have a tireless advocate in Carly Fiorina," Miller said.

More Information

For more information on Fiorina and her campaign visit carlyforca.com.

Governor, Legislature Move Water Bond to 2012 Ballot

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local community and the economy, voters will support the water bond," continued Zaremberg. "We must have the time it will take to raise revenue and ensure that voters understand what is at stake."

On August 9, state lawmakers acted to pull the initiative from the November ballot and put it off until the 2012 election. Governor Schwarzenegger worked with proponents to postpone Proposition 18, and he signed AB 1265 (Caballero; D-Salinas) on August 10 removing the measure from the November general election ballot. State election officials

urged rapid action because they must soon begin printing November ballots.

Water Bond

The \$11.1 billion water bond is part of a comprehensive legislative package on water that passed the Legislature as part of a special session on November 4, 2009. The package also includes four policy bills that cover Delta governance, conservation, groundwater monitoring, water rights and illegal water diversions. The controversy surrounding water rights proved too difficult to surmount and that bill was not taken up before the

special session adjourned.

Four water bonds totaling \$11.6 billion have already been approved by the voters in recent years. The bonds funded mostly environmental protection, restoration and enhancement projects, basic ongoing safe drinking water programs and land acquisition. Although roughly half of Proposition 84's \$5.38 billion bond—passed by the voters in 2006—funded regional water quality projects, a very nominal amount was allocated to water supply feasibility studies.

For more information, visit the campaign website at www.waterforca.com.

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

calchambervotes.com

Environmental Standard Job Creator Bill Awaiting Action by Governor



A California Chamber of Commerce-supported job creator bill that has the dual

benefit of facilitating job creation while ensuring environmental integrity is awaiting action by Governor Arnold Schwarzenegger.

AB 1846 (M. Pérez; D-Coachella) streamlines the California Environmental Quality Act (CEQA) approval process for certain projects by allowing industries subject to compliance with greenhouse gas regulations under AB 32 to go through an expedited environmental review through a focused environmental impact report (EIR).

California is aggressively working to meet its ambitious environmental goals set forth by AB 32, The California Global Warming Solutions Act of 2006. As regulations are being adopted to reduce California's greenhouse gas emission levels, companies subject to compliance with these regulations must make significant modifications to existing facilities in order to reduce emissions in compliance with the law.

By law, greenhouse gas regulations must be adopted by January 1, 2011, so companies have a short timeframe to become AB 32-compliant. In order to make infrastructure changes, these companies must go through the necessary CEQA permitting process before construction of significant project

modifications/upgrades can begin.

Since the CEQA process can be arduous, often marked by delays and great expense to business, it is important that the state look for ways to help streamline this process in order to help industries meet their AB 32 goals in a timely manner.

AB 1846 provides such a path by requiring an expedited environmental review of greenhouse gas compliance projects through a focused EIR.

Action Needed

The CalChamber is urging members of the business community to contact the Governor and urge him to **support AB 1846**.

Staff Contact: Brenda M. Coleman

CalChamber Revamps Home Page for Easier Web Browsing

Frequently used website features should be easier to find at the redesigned home page recently launched at www.calchamber.com.

Visitors to the home page are immediately met with the top story for the day, and three selected daily headlines. The main body of the revamped home page adds tabbed areas to enable visitors to quickly get to sections related to business advocacy, frequently used research tools and business products and services available at CalBizCentral.

The "CalChamber in the News" tab lists the latest articles and videos from news sources that mention the CalChamber. The Top Videos section allows a visitor to quickly learn about some of the major issues facing California via on-camera interviews with CalChamber staff.



The latest updates on legislative alerts, the November 2010 election and other hot issues are featured in the right column. A new navigation menu at the bottom of the page provides popular references and more information about the CalChamber, including contacts and a fact sheet page consolidating links to commonly requested information.

In addition, common tasks, such as searching for a bill or looking up a local chamber, can now be done right from the home page.

New home page items are based on membership surveys, popular pages and common paths that visitors often take throughout the CalChamber website.

CalChamber members are invited to visit www.calchamber.com and send comments to alert@calchamber.com.

Small Business Advocate of Year Award

Fresno Small Business Owner Helps Keep Tax Dollars Local

Debbie Hunsaker is always on the go.

The Fresno native and 2010 California Chamber of Commerce Small Business Advocate of the Year award-winner is so busy because, as a business owner herself, she understands the importance of being politically active.

“You influence the decision-making the best that you can and you try to make sure quality people and business-friendly people get elected, but I think even more important is just being educated and knowing what could have a detrimental impact on your business,” Hunsaker said.

Hunsaker, the president of Alert-O-Lite, Inc., a family-owned construction company that rents, sells and services traffic control equipment, is involved in everything from the Fresno Better Business Bureau Board (business ethics board), to the Measure C (transportation funding) Committee, to the Greater Fresno Area Chamber of Commerce Governmental Affairs Committee.

“My dad was a workaholic and I think I followed in his footsteps,” Hunsaker said.

Hunsaker took over as president of Alert-O-Lite for her father in 1992.

Transportation

In the late 1970s, Hunsaker, as a then-employee at Alert-O-Lite, got involved with the Fresno Chamber to “influence transportation decisions and be aware of what those transportation decisions are.” The experience helped introduced her to many new people including leaders in the local transportation industry.

After serving on the chamber’s transportation committee, and later becoming chair of that committee, the chamber asked Hunsaker to join the board of directors and in January 2009, Hunsaker became chair of the board.

The leadership role is a result of the many years of experience and dedication to business advocacy, as noted by her colleagues.

“Debbie’s passion and persistence has helped to make the Fresno Chamber a powerful force in the community,” said Kerri Ginis, Fresno Chamber government affairs manager. “She has proven herself to be a local expert on transportation issues.”



Debbie Hunsaker

‘Buy Local’ Campaign

Well aware of the state of the economy, Hunsaker had a plan going into her new role as board chair last January.

“My whole thing was, we need to do a better job of taking care of our chamber members,” Hunsaker said. “We need to make sure we are providing our businesses, especially our small businesses, what they need to have in order to survive this down economy.”

To develop on this idea, Hunsaker, with the help of the board of directors, created the idea of a “Buy Local” campaign—a campaign that encouraged residents of Fresno to do business with local businesses which, in turn, would help stimulate the local economy. “Buy Local” involved putting window stickers, posters and signs on store fronts that urged customers to shop at local restaurants and stores in order to keep sales tax dollars in Fresno.

The campaign received high acclaim from city hall and county government officials and resulted in more tax dollars for the Fresno area in 2009.

“I think everyone was proud at the way this rolled out and how successful it was,” Hunsaker said. “We got a lot of positive feedback from our members.”

D.C., Sacramento Lobbying

Last summer, Hunsaker was part of a group of Fresno Chamber members who traveled to Washington D.C. to lobby to stop card-check legislation from moving forward. Members from 150 local chambers across the country were involved in the trip. As the Fresno

Chamber board chair, Hunsaker was selected to participate in a private meeting with Senator Dianne Feinstein.

“We had the opportunity to say what our experiences had been with unions and felt that the current process was working and that card-check would only add undo pressure to the process—these were real life stories,” Hunsaker said.

Hunsaker felt the trip to be a worthy cause as Feinstein ended up not voting for the card-check legislation.

“I feel very strongly that our group helped influence her decision to not vote on it at that time,” Hunsaker said.

Hunsaker also visited Sacramento several times last year to help the Fresno Chamber take an active role in supporting issues that benefit the business community such as advocating for flexible work schedules, and against legislation harmful to business such as a single-payer health care system. During one of those lobbying trips, Hunsaker took part in a private half-hour meeting with Governor Arnold Schwarzenegger. They discussed the budget, water and several other items that had an impact on the Fresno area.

“He didn’t want us to leave, it was cute,” Hunsaker said. “You could tell he wanted to continue the conversation on issues that we cared about. This just reinforced his commitment to Fresno and the valley.”

Hunsaker said Governor Schwarzenegger is one of the first governors she can remember who has really spent time in the Fresno area communicating about the needs of the city and the surrounding agricultural areas.

She may be right, as *The Fresno Bee* recently reported that Governor Schwarzenegger has visited Fresno at least 70 times during his governorship.

Other Duties

On top of her duties with the Fresno Better Business Bureau Board, the chamber’s Governmental Affairs Committee and Alert-O-Lite, Hunsaker also serves as chair of the chamber’s political action committee and sits on the executive committee.

“I don’t know if I am just crazy for being so politically active, but I am one of those people, if you give me five minutes I will fill it with 10,” Hunsaker said.

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