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## Legislation Aims to Prevent Prop. 65 Drive-By Lawsuits



The California Chamber of Commerce and a coalition including local chambers of

commerce and statewide employer groups are **supporting** legislation that aims to stop drive-by lawsuits.

AB 227 (Gatto; D-Los Angeles) is a job creator that protects small businesses from drive-by lawsuits by providing a 14-day right to cure for allegations of a failure to post a Proposition 65 warning.

#### **Proposition 65**

Proposition 65, approved by voters in 1986, enacted "The Safe Drinking Water and Toxic Enforcement Act of 1986," which is designed to protect California's drinking water from chemicals known to cause cancer or birth defects, and to warn members of the public about the presence of those chemicals in their environment to help them avoid exposure.

Since its enactment, Proposition 65 has helped protect the public by incentivizing businesses to renovate their facilities, reformulate their products, and update their manufacturing processes to eliminate the use of listed chemicals.

Proposition 65 requires, among other things, that a private business with more than 10 employees post warnings when it knowingly exposes workers or the public to

listed chemicals. These warnings can take the form of placards in business establishments where listed chemicals exist or are released into the environment, or as part of the labeling of a consumer product that contains a listed chemical. Currently, there are 774 chemicals on the list.

#### **Drive-By Lawsuits**

These benefits have not come without a cost to the economy, however. AB 227 addresses one very avoidable cost that results from the practice of a handful of law firms in targeting businesses with drive-by lawsuits, alleging the businesses do not have adequate signage required by Proposition 65.

These lawsuits can easily cost several thousand dollars to litigate, causing many small businesses to settle out of court regardless of whether they actually needed to have signage posted at their business establishments, or if they failed to realize signage was necessary in a good faith mistake.

#### Lengthy List

The 774 chemicals on the Proposition 65 list range from those that pose limited or no risk based solely on their presence at a business establishment-such as alcoholic beverages and aspirin-to others that pose an obvious and widely known risk, like diesel engine exhaust

See Help for Small Business: Page 4



CalChamber. MAY 21-22,2013 **LEGISLATIVE BRIEFING &** SACRAMENTO HOST BREAKFAST Register today at calchamber.com/2013briefing-hostb

### **Proposal Expanding** Discrimination Litigation Passes



A California Chamber of Commerceopposed "job killer" bill that hampers California employers' ability to conduct business and unfairly subjects them to costly litigation passed the

Senate Judiciary Committee this week.

SB 404 (Jackson; D-Santa Barbara) makes it virtually impossible for employers to manage their employees and exposes them to a higher risk of litigation by expanding the Fair Employment and Housing Act (FEHA) to include a protected classification for any person who is, perceived, or associated with an individual who provides "medical or supervisory" care to a family member.

This bill is similar to AB 1999 (Brownley; D-Santa Monica) from 2012, which was held on the Senate Appropriations Committee Suspense File.

#### 'Familial Status'

SB 404 proposes to include "familial status" as a protected classification under the FEHA to prevent discrimination on such basis.

Such a broad application of a protected classification will essentially encompass almost all employees in the workforce and therefore will hamper an employer's ability to manage its business, as any adverse employment action the employer See Proposal: Page 4

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**Bill Targets Fast-Food** Containers: Page 3



### <u>Labor Law Corner</u> 'Association' with Person Having Disability Has Broad Protection



Dana Leisinger HR Adviser

I have a job applicant who appears to be well qualified. During the interview process, however, she mentioned that her child has a disability. I'm concerned that this might result in her missing work excessively. Can I reject her accordingly?

No, not for that reason. The Americans with Disabilities Act (ADA) has an "association" provision; it protects applicants and employees from discrimination based on their relationship or

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association with an individual with a disability, regardless of whether the applicant or employee has a disability.

Most employers are well aware of the ADA, which applies to employers with 15 or more employees, and the protections afforded to individuals with disabilities.

#### Action Triggers Law

The association provision has a far broader scope, however. The ADA does not even require that there be a family relationship for an individual to be protected by the association provision.

Importantly, if the employer acts on the individual's association with a person with a disability, the law is triggered.

Hiring issues aren't the only potential situations. If an employer found out an employee volunteered at a shelter known for helping people with HIV/AIDS, and then terminated the employee because the employer thought the image of the company would be negatively affected by the employee working with "those people," the employer would be violating the ADA association provision.

Some people are uncomfortable being around individuals with disabilities. However, an employer may not make an adverse employment decision about an applicant or employee due to that person's association with a person with a disability.

For example, if a manager finds out that an employee's child has Down syndrome and is uncomfortable talking about the syndrome or being around the

### CalChamber-Sponsored Seminars/Trade Shows

More information: *calchamber.com/events*. *Labor Law* 

- HR Boot Camp Seminar. CalChamber. April 10: Bakersfield; May 8: Sacramento; June 6: Santa Clara. (800) 331-8877.
- HR Strategies Webinars. CalChamber. April 18: Managing Your Workplace; May 16: Flexible Work Options; June 20: Multigenerational Workforce Challenge. (800) 331-8877.
- Leaves of Absence: Making Sense of It All. CalChamber. May 9, Sacramento. (800) 331-8877.
  - See CalChamber-Sponsored: Page 6

child, the manager would be violating the ADA if he/she transferred the employee to a different position to avoid interacting with him/her.

#### Health Care Coverage

Also, an employer may not deny an employee health care coverage available to others because of the disability of someone with whom the employee has a relationship or association.

If an employer offers health insurance benefits to all employees and their dependents, benefits can't be denied to an employee and/or spouse when the employer finds out the spouse has a disability and thinks this will increase health insurance costs.

Applicants or employees who believe their rights have been violated on the basis of this association provision have the right to file charges with the Equal Employment Opportunity Commission.

Therefore, it is wise for employers not to assume "issues" will exist simply because of an association that an applicant/employee may have with an individual who has a disability.

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 Calendar

Legislative Briefing: May 21, Sacramento International Forum: May 21, Sacramento Environmental Regulation Committee: May 21, Sacramento Water Committee: May 21, Sacramento CalChamber Fundraising Committee: May 21, Sacramento Board of Directors: May 21–22, Sacramento Host Breakfast: May 22, Sacramento



# Bill Targets Disposable Fast-Food Containers



The California Chamber of Commerce is **opposing** a "job killer" bill that places an unworkable ban on disposable food services containers and single-use carryout bags,

unless fast food restaurants can meet aggressive, tiered recycling targets.

**SB 529 (Leno; D-San Francisco)** is scheduled to be considered by the Senate Environmental Quality Committee on April 17.

The bill mandates that specified "fast food facilities" provide customers only with disposable food service packaging or single-use bags that are either "compostable" or "recyclable."

These terms are defined as packaging that must be both:

• accepted back at the fast food facility for composting; and

• accepted for composting in a local curbside collection program available to at least 75% of residents in that jurisdiction.

The bill also establishes tiered composting and recycling targets for these materials of 25%, 50% and 75% between 2016 and 2020.

#### **Unrealistic/Overly Burdensome**

The on-site composting/recycling provision is unrealistic and overly burdensome. Requiring food establishments to maintain on-site composting or recycling collection systems for food packaging raises several concerns. Soiled food containers would presumably have to be stored on-site, providing a ripe environment for rodents, ants, flies and other undesirable elements, all of which threaten the sanitary conditions required at food establishments.

Space availability will also undoubtedly fluctuate depending on the location of the facility. Some establishments may have back alley space for separate collection systems, while others—such as those in urban areas—may not. In those cases, these food facilities would not be able to meet the requirements of this bill and therefore would not be able to provide customers with any disposable packaging.

#### **Patchwork of Programs**

The current patchwork of recycling and composting programs hinders employers' ability to comply. Recycling and composting programs are created and implemented on a local basis. There is no uniform curbside composting or recycling collection program statewide.

For example, materials that are collected in the Los Angeles curbside residential program are likely to be different than those collected in a recycling program implemented in Bakersfield, Redding or Chula Vista.

Compounding this situation is the fact that restaurants and/or packaging manufacturers have little or no control over what materials are accepted for composting or recycling in a local jurisdiction. These programs are created via contracts between waste haulers and the local jurisdiction.

It would appear that under SB 529 a restaurant would not be able to offer any sort of disposable packaging to its customers.

#### **Unrealistic Recycling Targets**

Although the regulated community appreciates a phased-in approach to establishing recycling and composting targets, it is unrealistic to believe the targets required in SB 529 can be reached within the specified timeframes.

The CalChamber believes any identified numeric recycling or composting mandate must be crafted in a tiered approach that is reasonable, allows adequate implementation time, and is based on a scientifically derived baseline set of data in order to achieve real and measurable trash reduction results.

While the goal of increasing recycling and waste diversion is laudable, the actual implementation of these programs, especially for food service packaging, is quite complex. Packaging can be made from a variety of materials (plastic, paper, glass, aluminum, etc.). In virtually all cases, packaging that is significantly "contaminated" with food poses a significant recycling challenge—regardless of the material type.

Although the market for compostable containers is growing, the infrastructure to actually compost these materials is limited. It is important to note that bio-based containers "degrade" only in a controlled composting environment essentially a large industrial facility where temperatures can exceed 140 degrees for several days.

These containers do not degrade if littered alongside the road or deposited into a trash can, nor will they degrade if they make their way into a storm drain or other waterway.

#### **Uniform Standards Needed**

Uniform statewide standards are necessary. It would be overly burdensome for restaurants to navigate a patchwork of regulations on packaging that would vary from jurisdiction to jurisdiction.

Under SB 529 as drafted, a restaurant on one side of the street would be subject to different packaging requirements than an adjacent restaurant just down the street.

If the Legislature is intending to enact a bill governing food packaging, a statewide mandate must include language pre-empting local governments from enacting additional, separate or conflicting requirements.

Furthermore, the Legislature first needs to focus on developing adequate infrastructure statewide to implement programs like the one proposed here.

Absent that infrastructure, the goals of this bill cannot be achieved.

#### Action Needed

Contact members of Senate Environmental Quality and your senator to ask that they **oppose SB 529.** 

An easy-to-edit letter is available at *www.calchambervotes.com*. Staff Contact: Mira Guertin

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### Free Seminars on Labor, State Payroll Tax Laws Set by State Agencies

Free seminars about the state's labor and payroll tax laws will be conducted throughout the state by the California Division of Labor Standards Enforcement (DLSE) and Employment Development Department (EDD).

Information to be covered includes:

Recordkeeping, reporting

requirements, employer obligations, and payment requirements;

• Common wage-and-hour law application;

• Employer and employee rights and responsibilities; and

• How to distinguish between an employee and an independent contractor.

#### **Dates/Locations**

Seminars have been set in April, May and June for the following locations:

- Wednesday, April 17: Santa Rosa;
- Tuesday, April 30: Santa Clarita;
- Monday, May 13: Redwood City;
- Tuesday, May 14: Fairfield;

- Wednesday, May 15: Sacramento;
- Wednesday, May 15: Oakland;
- Tuesday, May 21: San Bernardino;
- Wednesday, May 22: Fresno;
- Wednesday, June 5: Hawthorne;
- Wednesday, June 5: Merced.

#### **To Register**

Registration is required and may be completed by telephoning (415) 703-4810 or online at the EDD website, *www.edd.ca.gov/payroll\_tax\_seminars*.

### Help for Small Business in Bill to Prevent Prop. 65 Drive-By Lawsuits



From Page 1 and tobacco smoke. Given the range of listed chemicals, it's easy to under-

stand why business owners sometimes fail to realize a warning sign is required.

Further, many business owners rightly determine that signage is not warranted given the exposure levels of a particular chemical at the business establishment, or that no listed chemicals are present at all, but this does not prevent a firm from making an allegation in a demand letter in order to pressure the business into handing over a small settlement.

Hundreds of businesses are targeted in these lawsuits each year, costing the state millions of dollars in lost productivity and jobs.

AB 227 will help eliminate the inappropriate use of litigation, while ensuring that the public does receive Proposition 65 warnings when

#### appropriate.

#### Action Needed

AB 227 is scheduled to be considered April 16 by the Assembly Environmental Safety and Toxic Materials Committee.

Contact committee members and your Assembly representative and urge them to **support AB 227**.

An easy-to-edit letter is available at *www.calchambervotes.com*. Staff Contact: Mira Guertin

### Proposal Expanding Discrimination Litigation Passes

#### From Page 1

takes against an employee could potentially be challenged as discriminatory on the basis of "familial status."

#### **Burdens Businesses**

The burden that SB 404 creates will have an impact on small businesses because FEHA applies to any employer with five or more employees. Accordingly, SB 404 will subject these small businesses to potentially costly litigation based on the allegation that an employee who suffered an adverse employment action provided familial medical or supervisory care, was perceived as providing such care, or was associated with someone providing such care.

#### **Employees Already Protected**

California already protects employees from discrimination on the basis of sex, pregnancy, medical condition, mental disability or physical disability. Similarly, California provides employees with leave to care for the serious medical condition of family members, which may be compensated through California's Paid Family Leave Act.

In addition, California also requires "kin care," mandating that an employee be allowed to use at least half of any accrued sick leave to care for family members. These various leaves and protections are in addition to those provided by federal law. Given these existing protections, there is no reason to include under California law the broad protected classification SB 404 proposes, other than to increase litigation opportunities.

#### **Costly Litigation**

Approximately 19,500 discrimination claims citing FEHA were filed in 2010 with the state Department of Fair Employment and Housing, which was 1,000 complaints more than in 2009. Notably, more than 4,000 of these complaints were dismissed due to lack of evidence of any violation.

Adding this new expansive classification to FEHA will only cause such cases to increase dramatically, thereby burdening the state agency as well as California employers with costly litigation.

#### **Key Vote**

SB 404 passed Senate Judiciary on April 2, 5-2:

Ayes: Evans (D-Santa Rosa), Corbett (D-San Leandro), Jackson (D-Santa Barbara), Leno (D-San Francisco), Monning (D-Carmel).

## Noes: Anderson (R-Alpine), Walters (R-Irvine).

SB 404 will be considered next by Senate Appropriations. Staff Contact: Jennifer Barrera



### Bills Expanding Coastal Commission Authority Pass Policy Committee



JPPOSE

Two California Chamber of Commerce**opposed** bills that will expand the Coastal Commission's enforcement authority and halt processing of a

permit application passed the Assembly Natural Resources Committee this week.

• AB 203 (Stone; D-Scotts Valley) Coastal Permits — Slows development in the coastal zone by allowing commission staff to halt the permit process for alleged violations anywhere on the project. Carves out new development projects in harbors, ports or marinas if under separate ownership.

• AB 976 Atkins (D-South Park/ Golden Hill) Coastal Commission Enforcement — Creates a bounty hunter provision and creates a conflict of interest by allowing the commission to impose a civil penalty and retain it to augment its budget.

#### AB 203

AB 203 allows the staff of the Coastal Commission to halt processing of a permit application if the commission staff asserts that a violation exists on the property. The bill would presume an applicant is "guilty until proven innocent" by giving the commission staff the ability to refuse to process a coastal development permit application until staff is satisfied that the alleged violation was cured.

The Coastal Commission already has adequate legal tools by which to pursue violations. No problem has been identified that would warrant granting such a significant increase in power to the Coastal Commission staff.

Moreover, the bill has the potential to shift the commission's focus from its mission of processing permits to ensure consistency with the Coastal Act to chasing violations that may or may not exist. The bill is unnecessary, is bad public policy and would deny an applicant due process at the mere suggestion that there might be a violation on the property.

#### AB 976

AB 976 greatly expands the Coastal Commission's enforcement authority by allowing the commission to impose administrative civil penalties. The bill is unnecessary, is bad public policy, and would create an unacceptable dynamic whereby the commissioners and commission staff would be incentivized to impose fines and penalties, at the expense of due process and rights for the accused, rather than pursuing those fines and penalties through the judicial branch where that function properly belongs.

There is no evidence that the commission lacks appropriate enforcement tools to implement the Coastal Act. As in previous versions of this legislation, commission funding (staff salaries) continues to be the driving force behind this policy change. Giving the commission authority to impose civil penalties is overkill and unsupported by any demonstrated need other than the assertion that the commission needs a bigger budget.

#### **Key Votes**

**AB 203** passed Assembly Natural Resources on April 1, 6-2.

Ayes: Chesbro (D-North Coast), Garcia (D-Bell Gardens), Muratsuchi (D-Torrance), Skinner (D-Berkeley), Stone (D-Scotts Valley), Williams (D-Santa Barbara).

## Noes: Bigelow (R-O'Neals), Grove (R-Bakersfield).

Absent/abstaining/not voting: Patterson (R-Fresno).

AB 203 now moves to the Assembly Appropriations Committee.

**AB 976** passed Assembly Natural Resources on April 1, 6-3.

Ayes: Chesbro (D-North Coast), Garcia (D-Bell Gardens), Muratsuchi (D-Torrance), Skinner (D-Berkeley), Stone (D-Scotts Valley), Williams (D-Santa Barbara).

Noes: Bigelow (R-O'Neals), Grove (R-Bakersfield), Patterson (R-Fresno).

AB 976 will be considered next by the Assembly Judiciary Committee; no hearing date has been set. Staff Contact: Valerie Nera

### April 1 Deadline to Post Human Trafficking Notice for Some Businesses

April 1 was the deadline for certain businesses to post a new notice on how to report suspected human trafficking and where victims of human trafficking can obtain help. The State of California Department of Justice (DOJ) developed the model notice and released it on Wednesday, March 27.

SB 1193, passed last year, requires specified businesses and establishments to post an 8.5" x 11" notice, on or before April 1, 2013. The notice informs the public and victims of human trafficking of telephone hotline numbers and contains information about organizations that provide services to eliminate slavery and human trafficking. California "is one of the nation's top four destination states for trafficking human beings," according to the DOJ. Human trafficking, as the DOJ states, is "a modern form of slavery. It involves controlling a person through force, fraud, or coercion to exploit the victim for forced labor, sexual exploitation or both."

#### **Businesses Covered**

Only specific businesses, including, but not limited to, farm labor contractors, bus stations and truck stops, must comply. The list of businesses required to post the notice is available on *HRCalifornia* and also on the DOJ's human trafficking website. The notice must be posted in English, Spanish and one other language that is the most widely spoken language in the county where the business is located (and for which translation is mandated by the Voting Rights Act). The Attorney General provided a list of counties in which a third language other than English and Spanish is the most widely spoken language and has also provided additional translations of the model notice.

English and Spanish versions of this notice and additional details on the posting requirements are available at *HRCalifornia.com*.

Staff Contact: Gail Cecchettini Whaley



### Proposal to Strengthen Regulatory Impact Accountability Passes



Legislation supported by the California Chamber of Commerce to make sure that state agencies review the impact of major new regulations won

unanimous approval from an Assembly committee this week.

#### AB 12 (Cooley; D-Rancho Cordova)

increases transparency and accountability for regulations by strengthening the requirement that agencies conduct regulatory impact analysis for new major regulations.

The bill will require annual reviews of agency compliance levels, recommendations for legislative action to improve compliance, and Internet posting of the reviews and notice of an agency's noncompliance with the creation of the

### CalChamber-Sponsored Seminars/Trade Shows

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- California Employers and Workplace Privacy Webinar. CalChamber. July 18. (800) 331-8877.
- Ask the HR Compliance Experts Webinar. CalChamber. August 15. (800) 331-8877.

**Business Resources** 

- EDD Labor/Tax Seminar. California Employment Development Department. April 17: Santa Rosa; April 30: Santa Clarita; May 13: Redwood City; May 14: Fairfield; May 15: Sacramento and Oakland; May 21: San Bernardino; May 22: Fresno; June 5: Hawthorne and Merced. (415) 703-4810.
- Responsible Sourcing Summit. UL. April 17–18, Santa Monica. (310) 215-0554.
- Branding the Monterey Bay Region. Monterey Bay International Trade Association (MBITA), May 2, Salinas. (831) 335-4780.

Innovation Economy Expo. Innovation Economy Konnect, Inc. May 9, Ontario. (310) 613-4131. *International Trade* 

- China Import/Export Fair (Canton Fair). Consulate General of the People's Republic of China. April 15–May 5, Guangzhou, China. (415) 852-5972.
- 8th World Chambers Congress. International Chambers of Commerce World Chambers Federation. April 22– 25, Doha, Qatar. (331) 495-3296.
- China-U.S. Business Summit 2013. China-U.S. Business Summit Committee. April 28–30, Los Angeles. (562) 437-8885.
- World Trade Week Kickoff Breakfast. Los Angeles Area Chamber. May 2, Los Angeles. (213) 580-7569.
- U.S. Trade and Development Agency: Libya Cyber Security. National U.S.-Arab Chamber of Commerce. May 6, San Jose. (202) 289-5513.
- China International Technology Fair. Shanghai International Technology Exchange Center. May 8–11, Shanghai, China.

standardized regulatory impact analysis.

The requirements will raise awareness about the costs and benefits of major regulations and ensure legislators have the information they need to improve California's regulatory environment.

AB 12 passed the Assembly Accountability and Administrative Review Committee on April 3. It will be considered next by the Assembly Appropriations Committee. Staff Contact: Marti Fisher

- Emerging Markets and the Global Economy. Los Angeles County Economic Development Corporation. May 15, Long Beach. (213) 236-4812.
- Consular Corps Luncheon. Northern California World Trade Center. May 22, Sacramento. (916) 319-4274.
- 2013 USC Global Conference. University of Southern California. May 23–25, Seoul, Korea. (323) 442-2830.
- The BRICS (Brazil, Russia, India, China and South Africa) Countries Conference. MBITA. May 24, Monterey. (831) 335-4780.
- Think Asia, Think Hong Kong. Hong Kong Trade Development Council. June 14, Los Angeles. (212) 838-8688.
- Spanish Language/Media Conference. California Leadership Institute and Mentoring Bridges. June 21–22, Los Angeles. (916) 719-1405
- U.S.-Saudi Auto Conference. U.S. Saudi Arabian Business Council. June 26, Birmingham, Michigan. (703) 204-0332.

### Small Business Advocate Award: Nominations Due April 15

The California Chamber of Commerce is seeking nominations for its Small Business Advocate of the Year Award.

Each year, the CalChamber recognizes several small business owners who have done an exceptional job with their local, state and national advocacy efforts on behalf of small businesses.

#### Application

The application should include information regarding how the nominee

has significantly contributed as an outstanding advocate for small business in any of the following ways:

• Held leadership role or worked on statewide ballot measures;

• Testified before state Legislature;

• Held leadership role or worked on local ballot measures;

• Represented chamber before local government;

• Involved in federal legislation. The application also should identify specific issues the nominee has worked on or advocated during the year.

#### Deadline

Award nominations are due to the CalChamber Local Chamber Department by April 15. The nomination form is available on the CalChamber website at *www. calchamber.com/smallbusiness* or may be requested from the Local Chamber Department at (916) 444-6670.



## CalChamber to Join Governor Brown on Trade/Investment Mission to China

California Chamber of Commerce members will join Governor Edmund G. Brown Jr. this month on an eight-day mission to China with a goal to expand trade and investment between California and China by identifying opportunities that will be of mutual benefit.

With more investment deals from China than any other state, California is positioned to capture China's growing foreign investment.

#### **Trade/Investment Office**

The delegation will travel throughout China and open a California Trade and Investment Office in Shanghai. This will

be California's first official permanent presence in China in nearly a decade. As ambassadors for California, the delegation will take the next step to ensure the state's leading role in attracting Chinese investment.

"The business mission to Beijing, Shanghai and Guangzhou led by California Governor Brown will serve to strengthen ties and increase economic opportunities with China—a major trade and investment partner," said CalChamber President and CEO Allan Zaremberg, a member of the business delegation.

"In keeping with long-standing policy, the CalChamber supports free trade worldwide. We encourage the expansion of trade and investment, fair and equitable market access for California products aboard and the elimination of disincentives that impede the international competiveness of California businesses."

The delegation organized by the Bay Area Council includes approximately 75 business, economic development, investment and policy leaders from throughout California. Senior administration officials will also accompany the delegation.

The Governor's schedule will include high-level meetings with government officials, meetings with current and potential investors in the California market, and several events highlighting the Golden State's many resources.

#### **CalChamber Participation**

In addition to Zaremberg, the delegation includes: Susanne Stirling, Cal-Chamber vice president of international affairs; CalChamber Board members Margaret Wong, president and CEO of McWong Environmental Technology; and Janet Lamkin, California state president of Bank of America, who also serves as chair of the Bay Area Council.

In addition, 28 member companies of the CalChamber are represented on the delegation, including: Deloitte LLP, FedEx, Harris Farms, Kaiser Foundation Health Plan, Paramount Farming Compa-



ny (a part of Roll Global), Siemens, State Farm Insurance, United Airlines, The Walt Disney Company and Wells Fargo.

#### **China: New Opportunities**

The mission will build on new opportunities that continue to open in China. According to the U.S. State Department, China has been one of the world's fastest-growing economies over the last several years, and its efforts to reform and modernize have helped transform it into a large trading economy. China's total trade exceeds \$3.6 trillion, making it the second largest trading nation and the country with the second largest economy in the world. This translates into enormous opportunities for U.S./California exporters.

U.S.-China trade has risen rapidly over the last several decades. Total trade between the two nations has increased from \$4.8 billion in 1980 to slightly more than \$536 billion in 2012. U.S. exports to China in 2012 were approximately \$110.6 billion, a steady increase from previous years.

In 2012, China continued as California's third largest export destination, with more than \$14 billion in exports. Computer and electronic products accounted for approximately 28% of exports, totaling close to \$3.9 billion. Waste and scrap material brought in \$2.4 billion, or 17.4%, while both the machinery (except electrical) and transportation equipment categories each accounted for approximately 10% of the total, with roughly \$1.4 billion in exports each. (U.S. Department of Commerce)

#### **California-China Office**

The California-China Trade and Investment Office, a public-private program led by the State of California, the Bay Area Council, and economic

> development groups and private sector companies across the state, will be California's flagship vehicle for promoting both trade and investment between the state and China.

Dedicated experts located in Shanghai, Sacramento, San

Francisco and Los Angeles will provide concierge services to businesses throughout California and China to forge cross-border trade and investment deals work that will be held to ambitious and transparent performance benchmarks to help chart the program's success.

#### **Past Trade/Investment Missions**

Over the years, CalChamber delegations have participated in the state's trade and investment missions to Tokyo, London, Mexico City, Frankfurt, Hong Kong, Taipei and Johannesburg.

Further, CalChamber Board members and officials have accompanied five California Governors to various worldwide destinations, including Mexico City to discuss the North American Free Trade Agreement, Canada, Japan, Southeast Asia, China and Europe.

#### **More Information**

More information on CalChamber positions on international trade issues is available at *www.calchamber.com/ international*. Blog updates will be posted at *www.calchamber*. *com/2013ChinaTradeMission*. Staff Contact: Susanne Stirling



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