

ALERT

VOLUME 39, NUMBER 17 • MAY 24, 2013

 **CalChamber**
CALIFORNIA CHAMBER OF COMMERCE

Entrepreneurship Gets Nod from Speakers at 88th Annual Sacramento Host Breakfast



Photo by Megan Wood

Governor Edmund G. Brown Jr. speaks at Sacramento Host Breakfast.

The importance of the entrepreneurial spirit to finding solutions to issues facing California was a recurring theme in remarks at the 88th Annual Sacramento Host Breakfast on May 22.

More than 1,000 business and civic leaders listened to, chuckled at and applauded the remarks by Governor Edmund G. Brown Jr., CalChamber Board Chair Frederick E. “Fritz” Hitchcock, and CalChamber Board and Host Committee member Michael Ziegler.

Governor Brown

Within the first few minutes of his remarks, Governor Brown stressed the importance of creativity and maintaining

an open mind to creating new business, and improving the business climate.

This, Brown said, is part of being in California. One has to have the entrepreneurial spirit and the creativity to get things done, he said, even if one is not clear on how to get it done. One has to open oneself up to possibilities that one can’t even imagine.

“Leadership is putting the ball where it isn’t,” he said. This is how companies like HP, Qualcomm and Apple got started, he commented.

“Of course you need training, you need resources, you need a team and you need a great environment, and that’s what we have here in California,” he said.

Brown went on to speak on the need for reform in California and addressed several areas that are undergoing reform, such as: education, prison realignment, regulations, and water.

Any resolution to the state’s water puzzle needs to include four elements, Brown said: a reliable water supply, storage, Delta restoration, and conservation.

The Governor spoke briefly about the state’s success in eliminating the deficit and balancing the budget. He stressed, however, that although projections indicate an additional \$3 billion in revenue will come into state coffers, the state cannot afford to spend money it doesn’t have. Instead, additional revenue should be used to pay down state debt.

Brown acknowledged that although the state deficit is down, there are a lot of liabilities at present, such as pensions and retiree health liabilities that need attention. These issues, however, cannot be addressed all at once.

“You can only have so many initiatives,” Brown said. “You have to be strategic, you have to focus and then you get it done.”

Fritz Hitchcock

Hitchcock, chairman and CEO of Hitchcock Automotive Resources, with headquarters in City of Industry, commented that the new car dealers industry is full of entrepreneurs, who are “depen-

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Extending Family Leave Time Can Be Reasonable Accommodation



Dana Leisinger
HR Adviser

We have an employee on Family Medical Leave Act (FMLA) for a serious health condition. Her FMLA will end next week, but she needs more time. Do we have to give her any more time or can we terminate her?

This is a frequently asked question and is a very difficult one to answer. The Equal Employment Opportunity Commission (EEOC) has issued guidelines for employers, stating that an extension of time of FMLA is one of the reasonable accommodations under the Americans with Disabilities Act (ADA).

If the employee needs FMLA for her own serious health condition/disability, then an extension of time probably should be provided.

Determining Extension Length

The next question is, how much time? Unfortunately there are no bright definitions of what is "reasonable." When the ADA was written into law, it did not specifically define what is a reasonable accommodation, wanting employers to assess each situation on its own.

Many factors might be taken into

consideration, such as: the size of the employer, how busy the business is at the time the extension is requested, how critical is the job of the employee who is requesting the extension, how easy it is to shuffle her job duties to other employees in the interim, etc.

These factors, among others, would all be taken into consideration to determine if the extension would create an undue hardship on the employer.

New Laws

Additionally, as of January 1, 2013, California's new laws on disabilities discuss this type of situation.

The new laws state:

"Paid or unpaid leaves of absence.

When the employee cannot presently perform the essential functions of the job, or otherwise needs time away from the job

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

POSTMASTER: Send address changes to Alert, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Publisher: Allan Zaremborg. Executive Editor: Ann Amioka. Associate Editor: Sara Espinosa. Art Director: Neil Ishikawa. Capitol Correspondent: Christine Haddon. Photographer: Megan Wood.

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CalChamber-Sponsored Seminars/Trade Shows

More information: calchamber.com/events.
Labor Law

HR Boot Camp. CalChamber. June 6, Silicon Valley. Sold Out.

California Employers and Workplace Privacy Webinar. CalChamber. July 18. (800) 331-8877.

Expert Answers to Your HR Questions. CalChamber. September 11. (800) 331-8877.

Put It in Writing: Employee Handbooks. CalChamber. September 19. (800) 331-8877.

Business Resources

EDD Labor/Tax Seminar. California Employment Development Department. June 5: Hawthorne and Merced. (415) 703-4810.

California HR Conference. Professionals in Human Resources Association. August 26-28, Anaheim. (310) 416-1210.

International Trade

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.

America's Cup: San Francisco 2013. America's Cup. September 7-22, San Francisco.

Guy Fox Maritime Industry Salute Dinner. International Seafarers Center of Long Beach-Los Angeles. September 18, Aboard RMS Queen Mary. (310) 816-6510.

Expo Pakistan. Trade Development Authority of Pakistan. September 26-29, Karachi, Pakistan.

CalChamber Calendar

2013 PAC Workshop:
September 27, Burbank

Next Alert: June 7



Three Receive CalChamber Small Business Advocate of the Year Award



Craig Lewis

The California Chamber of Commerce honored business executives from Modesto, Riverside and Simi Valley this week with its 2013 Small Business Advocate of the Year award, recognizing them for outstanding advocacy on behalf of small businesses.

The CalChamber presented the awards in Sacramento before more than 200 attendees at the CalChamber Legislative Briefing on May 21.

The 2013 Small Business Advocate of the Year Award recipients are:

- Craig Lewis, president, California Prudential Realty, Modesto;
- Robert Stockton, principal, Rick Engineering Company, Riverside; and
- Jim Vigdor, operations/environmental health and safety manager, Alcoa Fastening Systems, Simi Valley.

Craig Lewis

Craig Lewis has been the Modesto Chamber's ardent advocate for achieving substantial and fundamental economic growth in the greater Modesto area.

Upon discovering that the City of Modesto General Plan had not been updated for 18 years, Lewis and the chamber's land use and transportation



Robert Stockton

committee began planning for a better future for Modesto.

Thanks to Lewis' hard work, the proposed plan has gained much support and has a chance of influencing decisions made by the city and county of Modesto that will have a favorable impact on the local area for decades to come.

Lewis serves on the Modesto Chamber Board of Directors as vice chairman of external operations and is the chairman of the Modesto Chamber's land use and transportation committee.

Robert Stockton

As the 2012–13 and 2011–12 chair of the Greater Riverside Chambers of Commerce Economic Development Council, Robert Stockton has been instrumental in leading the chamber's efforts to build a strong local economy through business attraction and retention strategies, as well as advocating practical and business-friendly policies in environmental regulation and land use.

Jim Vigdor

Jim Vigdor serves on the board of the Simi Valley Chamber of Commerce and Visitors Center. Following 10 years of



Jim Vigdor

active participation on the Simi Valley Chamber's Legislative Advocacy Forum, he serves as the 2013 committee chair.

Because of Vigdor's strong ties to the local community, Assemblyman Jeff Gorell (R-Camarillo) asked Vigdor to be an ambassador in the district. In this role, Vigdor serves as an advocate for Gorell and a surrogate at events and meetings, reporting on Gorell's positions. Vigdor also takes the pulse of the community and reports back to Gorell's staff on the district's concerns. Federal Representative Buck McKeon (R-Santa Clarita) also recognizes Vigdor as a leader in the community, and invited him to a two-year term as a delegate to the Republican Party.

Criteria

Small Business Advocate Award recipients are nominated by local chamber of commerce executives. 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.

President's Circle Award Recipients Demonstrate Excellence in Business Advocacy, Helping Members with Compliance

The California Chamber of Commerce has recognized 27 local chambers of commerce with the President's Circle award.

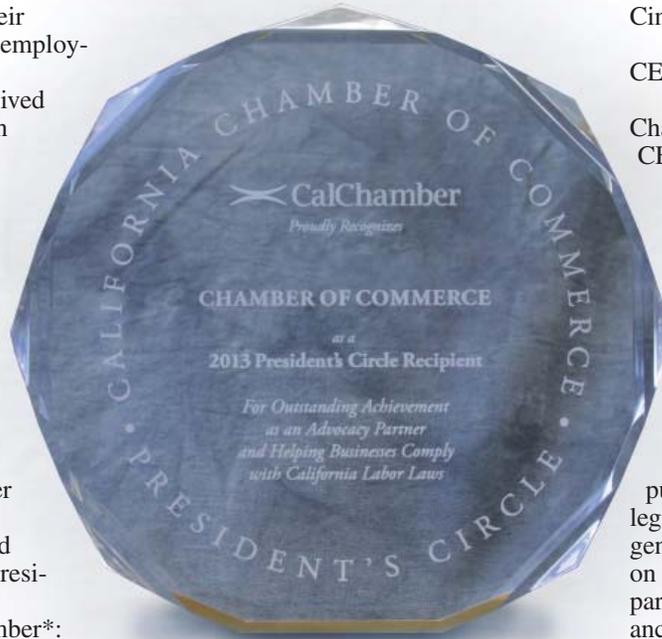
The award, first presented in 2009, recognizes chambers for excellence in business advocacy and helping their members comply with California employment laws.

Ten of the chambers have received the award all five years it has been presented.

The 2013 recipients of the President's Circle award are as follows. Five-year recipients are marked with an *:

- Apple Valley Chamber: Janice Moore, president/CEO;
- Greater Bakersfield Chamber*: Cynthia Pollard, president/CEO;
- Brawley Chamber: Kathryn Figari, executive director;
- Camarillo Chamber: Jennifer Wells, president/CEO;
- Catalina Island Chamber and Visitors Bureau: Wayne Griffin, president/CEO;
- Greater Conejo Valley Chamber*: Jill Lederer, president/CEO;
- Greater Corona Valley Chamber: Bobby Spiegel, president/CEO;
- Culver City Chamber*: Steven Rose, president/CEO;
- El Centro Chamber and Visitors Bureau*: Darletta Willis, CEO;
- Fullerton Chamber: Theresa Harvey, president/CEO;
- Garden Grove Chamber: Jeremy Harris, president/CEO;

- Gilroy Chamber: Susan Valenta, president/CEO;
- Lake Elsinore Valley Chamber: Kim Cousins, president/CEO;



- Long Beach Area Chamber*: Randy Gordon, president/CEO;
- Murrieta Chamber: Patrick Ellis, president/CEO;
- Napa Chamber*: Chris Messina, president/CEO;
- Orange Chamber: Heidi Larkin-Reed, president/CEO;
- Oxnard Chamber: Nancy Lindholm, president/CEO;

- Palm Desert Area Chamber*: Barbara deBoom, president/CEO;
- Porterville Chamber: Donnette Silva Carter, president/CEO;
- Greater Riverside Chambers*: Cindy Roth, president/CEO;
- Roseville Chamber: Wendy Gerig, CEO;
- Greater San Fernando Valley Chamber*: Nancy Hoffman Vanyek, CEO;
- Santa Clara Chamber and Convention-Visitors Bureau: Steve Van Dorn, president/CEO;
- Simi Valley Chamber and Visitors Center: Leigh Nixon, president/CEO;
- Temecula Valley Chamber: Alice Sullivan, president/CEO; and
- Turlock Chamber*: Sharon Silva, 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 and participated in the CalChamber compliance product resale program at an exemplary level.

In 2012, 23 chambers were presented with a President's Circle award; in 2011, 21 chambers received the recognition; in 2010, there were 22 award recipients; and in 2009, 13 local chambers received the award.

Staff Contact: Steve Snyder

Extending Family Leave Time Can Be Reasonable Accommodation

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for treatment and recovery, holding a job open for an employee on a leave of absence or extending a leave provided by the CFRA [California Family Rights Act], the FMLA, other leave laws, or an employer's leave plan may be a reasonable accommodation provided that the leave is likely to be effective in allowing the employee to return to work at the end of the leave, with or without further reasonable accommodation, and does not create an undue hardship for the employer.

When an employee can work with a reasonable accommodation other than a leave of absence, an employer may not require that the employee take a leave of absence. An employer, however, is not required to provide an indefinite leave of absence as a reasonable accommodation."

Consider Extension Carefully

It is important to consider a request for an extension very carefully. If an employer wishes to deny the request, it is important to seek counsel to assure this is

the right decision.

Alternatively, if an extension is granted, keep good records of the grant in the event of any possible challenge in the future.

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.

Remarks by Fritz Hitchcock

Immigration Reform, Easing Burden of Regulations Can Make State Better

Following are remarks presented by 2013 California Chamber of Commerce Chair Frederick E. "Fritz" Hitchcock at the Sacramento Host Breakfast on May 22. Hitchcock is chairman and CEO of Hitchcock Automotive Resources.

Good morning. On behalf of 14,000 member companies, who represent approximately 25% of the private sector jobs in the state, I want to say thank you to the Sacramento Host Committee.

I am proud to be here before you as the 2013 Chair of the Board of Directors of the California Chamber of Commerce.

I'd like to turn back the clock to 1969 when the Governor was starting his public service career. That was the year that I was fortunate to buy my first auto dealership, the Ford dealership in Redondo Beach, and the Governor was elected to the Los Angeles Community College Board of Trustees.

Just a few short years later, in 1976, you were Governor (for the first time), and I was able to buy my first Toyota dealership in Long Beach.

The rest, as they say, is history. Both of our careers have taken some interesting twists and turns—but for the most part we've done pretty well. But the Governor and I have another thing in common: neither one of us has given up on our desire to make California a better place for those who will follow in our footsteps.

Like so many in the audience today, over the years I've been engaged in my community and willing to contribute my time and resources needed to make California a better place to live and work.

New Car Dealers

My industry—new car dealers—is full of entrepreneurs, who just like me are dependent on vibrant local economies. Our success as auto dealers is a function of the overall economy—we depend on consumer confidence and economic growth, certainty and stability.

According to the California New Car Dealers Association, in 2012 our industry collected or paid a total of over \$7 billion



Photo by Steve Snyder

in taxes, including just under \$5 billion in state sales tax. We employ just over 119,000 Californians with a total annual payroll of \$6 billion.

And 93% of California new car dealers provide their employees with health care benefits, and as you know, that will become more challenging next year.

I hope my comments this morning will come close to being as successful as Tim Dubois, my predecessor as Chair of the Chamber, who at last year's Host Breakfast talked about the importance of trade with and tourism and investment from China as a way to remedy the state's budget woes.

And (maybe partially) as a result of Tim's remarks (or just coincidence), just last month the Governor returned from

his successful trade mission to China. We applaud the success of that mission and hope it will result in exporting California's green technology to a country that definitely needs it, and building relationships for future business exchanges.

The trade mission reminds us that nothing defeats poverty like a robust economy and the education of all segments of a country's population.

Economy

Here at home, we are grateful that the economy is finally heading in the right direction. After losing more than 1.3 million jobs during the Great Recession, hiring in California is finally on the move. Over the last three years, we've

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Immigration Reform, Easing Burden of Regulations Can Make State Better

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recovered about half those 1.3 million jobs. And even though we're headed in the right direction, our state is still tied for the second highest unemployment rate in the country.

The balance of where the jobs are coming from is different. The Bay Area, Orange County and San Diego have accounted for well over half of all new jobs created, while rural and inland California struggle.

And while construction is finally getting off the mat, and our technology and tourism sectors are robust, manufacturing and finance are still struggling.

We simply can't claim credit for a recovery as long as large parts of California and our economy are left behind. California has the highest poverty rate of any state and the highest proportion of its residents on public assistance. As long as we have so many poor and underemployed Californians, we cannot hope to achieve the critical mass for an economic recovery.

Immigration Reform

Immigration reform is especially important to California—probably more than just about any other state in the union. We are home to the technology industry that cannot find enough “home grown” engineers and scientists and must rely on the inadequate H-1B visa program that caps skilled workers.

If that industry can't find and bring enough skilled workers to California, they will go to where the engineers and scientists live—most likely offshore, which of course would not be a good thing.

California's unique and successful agriculture industry needs a guest worker program that will provide a predictable and certain workforce.

There are approximately 2.6 million undocumented immigrants in California—23% of the nation's total, half of which have lived here for over 10 years. The uncertainty over their legal status is a drag on our economy and, if resolved, would stimulate consumer spending and investment.

Finally, Mexico is California's number one export partner. Border security, while absolutely necessary to achieve a bipartisan solution in Washington, shouldn't be at the expense of our trade and commerce with Mexico.

Regulatory Reform

Solving poverty and the challenge of sustained economic growth depends on lowering the cost for businesses to hire and grow in California. These include businesses like mine—auto dealers that will never leave the state—as well as businesses that have choices of where to grow: whether it is manufacturers seeking lower energy costs, technology firms seeking a rational litigation environment, or creative types seeking a fair and stable tax system.

The regulatory burdens facing private business leaders are not necessarily foreign to the leaders in the state executive branch. How many times have we seen the Legislature spend one-time dollars on ongoing programs when times are good?

As CEO of the enterprise known as the State of California, the Governor faces very similar challenges in providing affordable health care to employees, managing a burgeoning pension responsibility, overcoming regulatory hurdles to build and rehabilitate infrastructure, and hire qualified workers for increasingly skilled professions.

Governor, we appreciate your prudence in crafting next year's budget proposal and not spending one-time money on ongoing programs. Another issue that would really send the right message about California would be reforming the California Environmental Quality Act, CEQA, as it currently stands, puts most businesses at a competitive disadvantage. It's a major impediment to much-needed job growth and investment in our state. CEQA has been abused to do much more than protect the environment. It's been used to place constant litigation hurdles and delays on projects and has become a money pit nightmare that stifles job creation here in California. The CalChamber looks forward to working with you, Governor, to secure *real* CEQA reform, hopefully this year.

As much as I wish I could stay on a positive theme, it's extremely difficult with so many members of the Legislature focused on increasing taxes and fees.

Leading the list are many bills calling for higher taxes on business—not the least of which is the split roll property tax. Increasing property taxes on business would be a major roadblock to economic recovery and only give those other

governors something else to point to when they're trying to lure new jobs to their states.

Say 'No' to Job Killers

Each year the Chamber opposes and supports hundreds of legislative bills, but we also identify the worst of the worst. Our original 2013 job killer list had 37 bills on it!

You would think that with the economy just beginning to show signs of recovery, that legislators would say “no” and wouldn't introduce bills that would impact job creation. But sadly, this is *not* the case. It's as if some of our legislators just don't understand economics or the ripple effects of job creation.

These job killer proposals include measures that would enact costly workplace mandates, economic development barriers, tax increases and expensive, unnecessary regulations.

In the name of improving the California business climate, which would continue to improve the state's fiscal condition, we ask our elected leaders: **do no more harm and defeat these job killers.**

Get More Politically Engaged

With our current top-two primary system, we have a real opportunity to elect more business-friendly legislators to office.

But in order to do that, each and every one of you will need to get more politically engaged or we'll suffer the consequences. Quite frankly, business—especially small business—needs to be at the political table or we'll be on the menu.

You need to network. Don't just talk to your friends, but talk to the people that maybe don't vote in the business way.

This is the time for leadership, engagement and business leaders, like all of you, need to have tough conversations with your legislators about California's business climate.

This is also the time for us to work together.

It's time for solutions. It's time for a stronger California.

Thank you for the opportunity to share these thoughts with you this morning. Have a great day and I hope you'll be visiting some of your legislators today.

Straight Talk on Pressing Policy Issues at CalChamber Briefing *Q&A with Top Political Writer Covers Budget, Water, Prop. 13, School Finance*



Photo by Megan Wood

In response to questions from CalChamber President and CEO Allan Zaremborg and more than 200 persons attending the CalChamber Legislative Briefing on May 21, political columnist Dan Walters of The Sacramento Bee offers insights based on decades covering the California political scene. Topics covered ranged from the state budget and water to Proposition 13, school finance, the impact of the top two open primary, immigration reform, and what Walters called the 'burning issue that no one talks about'—the deterioration of California highways.

State Plans for Water Supply Get Review from CalChamber Board



Gerald Meral, deputy director of the California Natural Resources Agency, presents an update on the Bay Delta Conservation Plan (BDCP) at the CalChamber Board of Directors meeting on May 22. The BDCP is a 50-year, ecosystem-based plan to restore fish and wildlife species in the Delta, a crucial component of the state's water supply system, in a way that provides for protecting reliable water supplies while minimizing impacts to Delta communities and farms. Preliminary drafts of the plan are being released in stages to be followed by the formal public comment process. Meral explained that twin tunnels are under consideration in the BDCP as an alternative means of providing water conveyance needed to ensure supply reliability. Water storage and a water bond were mentioned as integral parts of an overall water strategy for California.



Dorene D'Adamo, the newest member of the State Water Resources Control Board, meets with the CalChamber Water Resources Committee on May 21 to discuss relevant issues facing the board, including storm water permits, irrigated lands regulations, fracking, wetlands, Delta water quality standards and Delta inflow standards for Northern California, as well as the importance of settlement agreements. At left is committee Vice Chair Robert A. Stine, Tejon Ranch Company.

Entrepreneurship Gets Nod from Speakers at Sacramento Host Breakfast

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dent on vibrant local economies.”

The success of auto dealers, he said, is a function of the overall economy, and depends on consumer confidence, economic growth, certainty and stability.

In 2012, new car dealers paid more than \$7 billion in taxes, including \$4.95 billion in state sales tax, according to the California New Car Dealers Association. New car dealers employ more than 119,000 Californians, with a total annual payroll of \$6 billion, Hitchcock said.

Hitchcock also spoke on the importance of job creation to the state and the need to stem burdensome regulations imposed on businesses.

California’s economy is finally heading in the right direction and over the last three years the state has finally recovered about half of the 1.3 million jobs it lost during “the Great Recession,” Hitchcock said.

The poverty rate in California, however, is the highest poverty rate of any state and it has the highest proportion of its residents on public assistance, he said. This is hindering the state.

“As long as we have so many poor and underemployed Californians, we cannot hope to achieve the critical mass for an economic recovery,” he said.

Immigration reform is of special importance to California, Hitchcock went on to say, as the technology industry cannot find sufficient engineers and scientists to meet needs. The H-1B visa program caps the number of skilled immigrant workers that can be brought in and if companies cannot establish a workforce, there is the possibility they will fulfill these jobs offshore, Hitchcock warned.

In addition, the agriculture industry “needs a guest worker program that will provide a predictable and certain workforce,” he said.

Hitchcock also spoke on the regulatory burdens facing California businesses and voiced appreciation for the Governor’s prudence in “crafting next year’s budget proposal and not spending one-time money on ongoing programs.”

He stressed that the California Environmental Quality Act needs reform, as it has been “used to place constant litigation hurdles and delays on projects,



Fritz Hitchcock

becoming a money pit nightmare that stifles job creation.”

Hitchcock also urged elected leaders to “do no more harm and defeat the job killers” the CalChamber identifies in its “job killer” list.

“You would think that with the economy just beginning to show signs of recovery, that legislators would say ‘no’ and wouldn’t introduce a bill that would impact job creation—that’s not the case,” he said. “It’s as if some of our legislators just don’t understand economics or the ripple effects of job creation.”

Hitchcock went on to urge everyone in attendance to get more politically engaged and be at the political table or business will “be on the menu.”

Michael Ziegler

Ziegler, president and CEO of PRIDE Industries, Roseville, said the company’s history shows how “business can make a difference in the world in huge ways.”

The company, which provides employment opportunities for people with disabilities, was started by a small group of parents of young adult children with disabilities who wanted their children to be able to work.

The beginnings and success of PRIDE



Michael Ziegler

Industries, Ziegler said, are an example of the “spirit of entrepreneurship” that exists in California. Rather than “fundraising,” PRIDE does everything through business, living out its mission by fully embracing its customers.

From a church basement, PRIDE has grown to the largest nonprofit employer of people with disabilities in the nation, with more than 5,000 part-time and full-time employees working throughout the country, more than \$250 million in annual sales and a \$150 million payroll for people with disabilities, Ziegler said.

Those working for PRIDE were once on some form of public assistance, Ziegler said, but “today, they’re taxpayers themselves.”

PRIDE businesses with jobs that employ people with disabilities include facility services (for example, large public works contracts on military bases and maintenance at Sacramento International Airport Terminal B), logistic operations, manufacturing (smart car technology used on campuses throughout the country) and supply chain management (global fulfillment for a Fortune 10 company’s spare printer parts program and packing/shipping/handling for the Mighty Leaf Tea Company).

Senate President Pro Tem Steinberg Highlights Reform Issues



Senate President Pro Tem Darrell Steinberg (D-Sacramento) assesses the chances for environmental law reform at the CalChamber Board of Directors meeting on May 22. On school issues, he said he would like to see a revival of career technical (vocational) education before he reaches his term limit in 2014, and find a way to use technology to broaden the reach of higher education classes to supplement on-campus offerings.

Senator, CalChamber Discuss Prospects for Environmental Law Reform



(From left) Senator Jerry Hill (D-San Mateo), chair of the Senate Environmental Quality Committee, outlines his approach to reform of the California Environmental Quality Act (CEQA) and hears comments from business representatives at the May 21 meeting of the CalChamber Environmental Regulation Committee, with CalChamber Policy Advocate Mira Guertin and committee Co-Chair Lucinda Starrett of Latham & Watkins, LLP.

Forum Showcases Economic Benefits of Exports, GO-Biz, China Trade/Tourism

The importance of the National Export Initiative (NEI), the benefits offered by the Governor's Office of Business and Economic Development (GO-Biz) and the success of the recent China trade trip were all discussed at an international forum hosted by the California Chamber of Commerce Council for International Trade on May 21.

Forum attendees included nearly 150 industry leaders and representatives of California foreign trading partners.

National Export Initiative

Michael Masserman, executive director for export policy, promotion and strategy from the U.S. Department of Commerce, spoke to the group about the advantages of a government-wide strategy to promote exports to strengthen America's economy, support additional jobs here at home, and ensure long-term, sustainable growth.

"There's going to be a billion new middle class consumers in the next 15 years outside the United States," Masserman said. "Juxtapose that with the fact that in the U.S. only 1% of companies export and of that 1%, 58% typically export to only one country: Mexico or Canada."

This is really one of the reasons that U.S. President Barack Obama launched the NEI in 2010, in an effort to double the number of U.S. exports by the end of 2014 and to support millions of jobs, Masserman explained.

Over the months and years ahead, the NEI will:

- Work to help companies shipping to only one market expand their sales to new markets.
- Expand the availability of credit for small and medium-sized enterprises.
- Improve online tools to make information easier to find and faster to use.
- Work to reduce trade barriers to increasing exports.

GO-Biz

Director Kish Rajan and a number of staff members from GO-Biz appeared at the forum to educate attendees about the



Photo by Megan Wood

Michael Masserman of the U.S. Department of Commerce discusses the National Export Initiative at the May 21 international forum. At right is Kish Rajan, director of the Governor's Office of Business and Economic Development (GO-Biz).

help the office can offer in starting or expanding a business in California.

Governor Edmund G. Brown Jr. created the office to serve as California's single point of contact for economic development and job creation efforts. GO-Biz assistance for business owners includes: attraction, retention and expansion services; site selection; permit streamlining; clearing regulatory hurdles; small business assistance; international trade development; assistance with state government; and much more.

For more information or to utilize GO-Biz services, visit www.business.ca.gov.

Trade Mission to China

Brook Taylor from GO-Biz recapped the successful China trade trip and the

opening of the new trade and investment office.

In April, Governor Brown led a trade mission to China to expand trade and investment between California and China. The Governor was joined by a delegation organized by the Bay Area Council that included approximately 75 business, economic development, investment and policy leaders from throughout California.

CalChamber President and CEO Allan Zaremberg, Vice President of International Affairs Susanne Stirling and several CalChamber Board members were part of the delegation.

Senior administration officials also accompanied the group.

As Taylor explained, with more

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District Export Council Examines National Priorities



Photo by Megan Wood

National policy priorities affecting U.S. and California exports were the focus of the May 21 gathering of the District Export Council (DEC) of Northern California at the California Chamber of Commerce, including special guest Michael Masserman (seated, second from left) of the U.S. Department of Commerce. Following the DEC luncheon, Masserman spoke at the CalChamber International Forum (see story on facing page).

Forum Showcases Exports, GO-Biz, China Trade/Tourism

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

In 2012, China continued as California's third largest export destination, with more than \$14 billion in exports. Moreover, one of the areas of greatest importance to California is tourism, Taylor reminded forum attendees. The California travel industry is an economic powerhouse that attracts more than \$100 billion per year in business revenue, generates \$6.3 billion in state and local taxes, and directly supports almost a million jobs.

China is the state's fastest-growing and most lucrative inbound tourism market with more than 517,000 visitors

per year. These visitors from China to cities, national parks and shopping destinations in California inject \$1.5 billion per year into the California economy.

New Trade/Investment Office in China

While in China, Governor Brown opened the California Trade and Investment Office in Shanghai. This will be California's first official permanent presence in China in nearly a decade.

The California-China Trade and Investment Office will provide California companies with increased access to Chinese business contacts and provide Chinese investors with access to California projects that will benefit from increased investment.

The State of California has not had a formal presence in China since the previous foreign trade offices were closed in 2003.

Consular Corps Reception

Following the international forum, the CalChamber hosted the third annual reception for the consular corps and representatives of California foreign economic partners.

More than 80 countries were represented at the event, attended by more than 175 people. Governor Edmund G. Brown Jr. stopped by the reception and briefly addressed attendees, offering a toast to working together with the state's many trading partners.

Staff Contact: Susanne Stirling

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SPECIAL \$50 PIHRA DISCOUNT FOR CALCHAMBER MEMBERS

See Susan and Erika's presentation at PIHRA's California HR Conference®.

Plan to attend the California HR Conference, August 26–28, in Anaheim? CalChamber members receive \$50 off early bird (by May 31) or prevailing registration rates.

While you're there, don't miss CalChamber's "Determining Exempt Employee Status in California" presentation on Monday, August 26. Some of the largest multimillion-dollar awards of back pay by the courts are attributed to employers misclassifying employees as exempt. Susan Kemp and Erika Frank will offer practical guidance on avoiding common, costly mistakes.

For details on the conference presented by the Professionals In Human Resources Association (PIHRA), visit cahrconference.org.



Employment law experts Susan Kemp and Erika Frank will address properly classifying exempt employees at their August 26 presentation.

Approved for HRCI Credits

CONTACT Brian Allain at brian@pihra.org or (310) 416-1210 to receive your \$50 discount code.