CalChamber Releases 2015 Job Creator List

The California Chamber of Commerce this week released its list of job creator bills, calling attention to the 11 bills that will improve the state’s job climate and stimulate the economy.

Bills identified as job creators are consistent with the goals outlined in the Foundation for a Better California, a guide which provides policymakers with a framework to position California competitively to take advantage of the economic recovery.

Since 2008, the CalChamber has identified bills that will improve the state’s job climate and stimulate the economy, designating these proposals as job creators. In general, the job creator bills include solutions that will enhance the state’s economy by, for example:

- significantly reducing costs to employers;
- providing balanced regulatory policies;
- reforming the legal climate;
- increasing construction jobs; and
- encouraging investments.

CalChamber may add more bills to the list in the coming weeks as legislation is amended.

The list of 2015 job creator bills follows:

**Creates Construction Jobs**
- **AB 35 (Chiu; D-San Francisco)** Creates Affordable Housing Opportunities. Expands the existing low-income housing tax credit program, making the state better able to leverage an estimated $200 million more in Federal Tax Credits.
- **AB 323 (Olsen; R-Modesto)** Expedites and Reduces Cost for Roadway Repair and Maintenance Projects. Streamlines infrastructure development by
  **See CalChamber Releases: Page 3**

**Roadway Repair Projects Gain Support**

A California Chamber of Commerce-supported bill to expedite and reduce costs for roadway repair and maintenance projects advanced in the legislative process this week with bipartisan support from an Assembly policy committee.

**AB 323 (Olsen; R-Modesto)** passed the Assembly Transportation Committee with unanimous support.

The bill streamlines infrastructure development by extending indefinitely the current California Environmental Quality Act (CEQA) exemption for certain roadway repair and maintenance projects.

The current exemption was put in place by another bill by Assembly Republican Leader Kristin Olsen, AB 890, which the CalChamber designated as a job creator bill in 2012.

**Conditions**

AB 323 indefinitely extends the current CEQA exemption for repair, maintenance or minor alterations to an existing roadway if the project is carried out by a city or county with a population of less than 100,000 persons. The exemption is set to expire on January 1, 2016.

Importantly, the exemption AB 323
  **See Roadway Repair: Page 3**

Committee OKs Job Creator Bill Improving Disability Access

A California Chamber of Commerce-supported job creator bill that improves access for disabled customers and limits frivolous litigation against businesses passed an Assembly policy committee this week.

**AB 54 (Olsen; R-Modesto)** was approved as amended by the Assembly Judiciary Committee. The bill seeks to improve access for disabled patrons without harming businesses through frivolous lawsuits by providing businesses with a 60-day right to correct the violation for a claim based upon a constructed-related accessibility standard that was changed or modified in the prior three years.

**Cottage Industry of Litigation**

Due to California’s current statutory framework for construction-related accessibility claims, small businesses have, unfortunately, been targeted by a limited group of attorneys to leverage extortion-type settlements for technical construction-related standards, which do not actually impede physical access to the facility for disabled patrons.

For example, the California Commission on Disability Access has a Top 10 list of construction-related accessibility claims set forth in demand letters or complaints, which includes alleged violations for failure to have the appropriate signage or symbol.

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Cal/Osha Corner

Outdoor Workers Subject to New Heat Illness Prevention Rule on May 1

I have outdoor workers. How are recent heat illness prevention regulation revisions going to affect the way I do business?

On September 25, 2014, the Division of Occupational Safety and Health (Cal/OSHA) Standards Board presented for public comment revisions to Section 3395, the heat illness prevention regulation. The comments resulted in modifications to the original proposal. On February 19, 2015, the proposal was adopted and submitted to the Office of Administrative Law.

The revised regulation takes effect on May 1, 2015.

Shade, Rest Requirement

The revisions, as they apply to all affected employers, now require shade to be available or provided when temperatures exceed 80 degrees Fahrenheit. The shade will be located as close as practicable to the areas where employees are working and sufficient enough to accommodate all employees on recovery or rest periods, without the employees having to be in physical contact with each other. This shade requirement also applies during meal periods for employees who remain on site.

Employees are now permitted to take a preventative cool down rest in the shade, and are to be monitored and asked if they are experiencing symptoms of heat illness. The regulation further specifies that the employer to take/provide appropriate first aid or emergency response if the employee exhibits symptoms of heat illness.

High-Heat Procedures

The regulation section pertaining to high-heat procedures (temperatures exceeding 95 degrees Fahrenheit) has been extensively revised. The section requiring observing employees for symptoms of heat illness has been modified with specific requirements for observation and communication, and designating one or more employees to be responsible for contacting emergency services if the need arises.

Employers are now required to hold pre-shift meetings to review the high-heat procedures and stress the importance of drinking water and cooling down when necessary.

Agricultural Employers

The agricultural employer must comply with the high-heat regulation. An additional regulation specific to the agriculture industry has been added.

Agricultural employers will ensure that workers take a minimum 10-minute heat preventative “cool-down” rest period every two hours when temperatures reach 95 degrees Fahrenheit.

See Outdoor Workers: Page 4

CalChamber-Sponsored Seminars/Trade Shows

More at www.calchamber.com/events.

Labor Law

HR Boot Camp. CalChamber. June 10, Santa Clara; August 18, Sacramento; September 2, Laguna Beach. (800) 331-8877.

Business Resources


International Trade


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CalChamber Releases 2015 Job Creator List

From Page 1 extending indefinitely the current California Environmental Quality Act (CEQA) exemption for certain roadway repair and maintenance projects.

- **AB 641 (Mayes; R-Yucca Valley) Expedites and Reduces Cost for Housing Projects.** Streamlines and reduces regulatory burdens for the approval and construction of housing developments by providing an expedited review process under CEQA.

**Improved Legal Climate**

- **AB 52 (Gray; D-Merced) Disability Access Litigation Reform.** Seeks to improve access for disabled customers and limit frivolous litigation against businesses for construction-related accessibility claims by providing an opportunity for the businesses to timely resolve any potential violations.

- **AB 54 (Olsen; R-Modesto) Disability Access Litigation Reform.** Seeks to improve access for disabled patrons without harming businesses through frivolous lawsuits by providing businesses with a 60-day right to correct the violation for a claim based upon a constructed-related accessibility standard that was changed or modified in the prior three years.

- **AB 588 (Grove; R-Bakersfield) Reduces Frivolous Litigation.** Seeks to limit frivolous litigation under the Labor Code Private Attorneys General Act, by allowing an employer a 33-day right to cure technical violations on an itemized wage statement that did not cause any injury to the employee.

- **AB 1252 (Jones; R-Santee) Protects Businesses from Proposition 65 Lawsuits.** Provides needed relief to small businesses by prohibiting a person from bringing a Proposition 65 lawsuit against a business employing fewer than 25 employees. Failed passage in Assembly Environmental Safety and Toxic Materials Committee, April 14. Reconsideration granted.

- **AB 1470 (Alejo; D-Salinas) Reduction of Costly Employment Class Action Litigation.** Limits frivolous class action litigation against employers in California who are creating high-paying jobs by creating a rebuttable presumption that employees earning at least $100,000 and performing nonmanual labor and at least one exempt duty are exempt from overtime requirements.

- **SB 67 (Galgiani; D-Stockton) Disability Access Litigation Reform.** Seeks to limit frivolous litigation against small businesses and those that have sought to comply, by limiting remedies to injunctive relief and expanding the current period to correct any violation from 60 to 120 days.

**Tourism**

- **SB 249 (Hueso; D-San Diego) Enhanced Driver’s License.** Encourages international trade and tourism by authorizing the Department of Motor Vehicles to issue enhanced driver licenses to U.S. citizens to expedite legal traffic at the border.

**Workplace Improvements/Training**

- **AB 1038 (Jones; R-Santee) Flexible Workweek.** Provides employers with the opportunity to accommodate employees’ needs as well as business demands by allowing employees to request a voluntary, flexible workweek agreement that can be repealed by the employee at any time with proper notice. Failed passage in Assembly Labor and Employment Committee, April 22. Reconsideration granted.

Roadway Repair Projects Gain Support

From Page 1 proposes to extend applies only if the project meets certain requirements, including: it does not cross a waterway; there is negligible expansion of use; the site does not contain wetlands or riparian habitat; there is no impact to cultural resources.

From a public safety standpoint, ensuring that minor roadway maintenance and repair projects in small to mid-size jurisdictions move forward expeditiously is critically important.

Although such projects may fall within certain categorical exemptions under the CEQA Guidelines, AB 323 ensures that roadway repair and maintenance projects would continue to be statutorily exempt from CEQA and thus would not be subject to exceptions that may defeat their use. Accordingly, if a proposed project fits within the terms of AB 323’s stated exemption, then that is the end of the inquiry and the exemption applies.

CEQA was initially passed to ensure that California’s environment is considered before moving forward with a project. Over time, however, CEQA has become a hook for litigation and a means to delay worthy projects for reasons that have nothing to do with the environment.

Until changes are made to the underlying process, CalChamber supports legitimate CEQA exemptions, such as AB 323, that will encourage the expeditious approval and implementation of minor but important roadway projects.

**Key Vote**

Assembly Transportation passed AB 323 on April 20, 15-0.

- Ayes: Frazier (D-Oakley), Achadjian (R-San Luis Obispo), Baker (R-Dublin), Bloom (D-Santa Monica), Campos (D-San Jose), Chu (D-San Jose), Daly (D-Anaheim), Dodd (D-Napa), Eduardo Garcia (D-Coachella), Gomez (D-Los Angeles), Kim (R-Fullerton), Linder (R-Corona), Medina (D-Riverside), Melendez (R-Lake Elsinore), O’Donnell (D-Long Beach).

- Absent/abstaining/not voting: Nazarian (D-Sherman Oaks)

**Staff Contact:** Anthony Samson
Committee OKs Job Creator Bill Improving Disability Access

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Such violations do not necessarily impede physical access to the facility and could be easily resolved. However, businesses are pressured into paying settlements for these lawsuits instead of focusing financial resources on improving access at the business.

AB 54 provides business owners with 60 days to correct an alleged accessibility violation that is based upon a recently enacted construction-related accessibility standard.

If the violation is resolved within the 60-day period, the business owner would not be assessed any statutory damages.

Key Vote

AB 54 passed Assembly Judiciary with unanimous, bipartisan support, 10-0:

Ayes: Mark Stone (D-Scotts Valley), Wagner (R-Irvine), Alejo (D-Salinas), Chau (D-Monterey Park), Chiu (D-San Francisco), Gallagher (R-Yuba City), Cristina Garcia (D-Bell Gardens), Holden (D-Pasadena), Maienschein (R-San Diego), O’Donnell (D-Long Beach).

AB 54 will be considered next by the Assembly Revenue and Taxation Committee.

Other Reform Bills

Other disability access litigation reform bills are pending in the Legislature:

• Reduces Statutory Damages: AB 52 (Gray; D-Merced) seeks to improve access for disabled customers and limit frivolous litigation against businesses for construction-related accessibility claims by providing an opportunity for the businesses to timely resolve any potential violations.

AB 52 will reduce statutory damages for businesses that have corrected any construction-related accessibility standard within 180 days of receiving a civil complaint. In exchange for fixing the alleged violation, AB 52 would reduce the statutory damages from $4,000 to $1,000.

This reduction creates a fair balance between providing a remedy for the fixed violation, yet also recognizing the good faith efforts of the business at efficiently resolving the alleged violation.

• Creates Fair Balance: SB 67 (Galgiani; D-Stockton) limits frivolous litigation against small businesses for alleged construction-related accessibility violations, by eliminating statutory damages and providing only injunctive relief and attorney’s fees.

This will allow those claims that have merit to still be filed, and discourage the frivolous claims from being pursued. SB 67 also extends the period to resolve the alleged violation in order to reduce the statutory damages from $4,000 to $1,000. This reduction creates a fair balance between providing a remedy for the fixed violation, yet also recognizing the good faith efforts of the business at efficiently resolving the alleged violation.

SB 67 will allow a small business to utilize its resources in a manner that improves accessibility for all patrons, so that it can continue to succeed and expand in California

Staff Contact: Jennifer Barrera

Outdoor Workers Subject to New Heat Illness Prevention Rule on May 1

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95 degrees or above.

This rest period may be provided concurrently with any other meal or rest period as required by the Industrial Welfare Commission Order No. 14 (agricultural occupations) if these times coincide.

Emergency Response

Emergency response procedures are to be in place. Supervisors and workers are to be trained to recognize heat illness symptoms and take appropriate action.

There is to be effective means of communication on site, and other procedures to ensure effective care is administered when necessary.

Downloadable Guidance

A news release issued by the Department of Industrial Relations (DIR) contains links to the revised regulation, a guidance document, and enforcement questions and answers. The news release, dated April 7, is available at dir.ca.gov.


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.
Attorney General Releases Guide to Complying with Supply Chains Act

Attorney General Kamala D. Harris has issued a resource guide to help companies doing business in California comply with state law requiring them to disclose their efforts to prevent and root out human trafficking and slavery in their product supply chains.

The disclosure is required by the California Transparency in Supply Chains Act (D-Steinberg; Statutes of 2010).

The California Department of Justice sent informational letters earlier this month to companies that may be subject to the disclosure requirements.

In the guide, The California Transparency in Supply Chains Act: A Resource Guide, the Attorney General provides businesses with recommendations to develop and refine disclosures to consumers.

“The human trafficking profits from exploiting the most vulnerable in our society and often extends to factories, farms and construction sites,” Attorney General Harris said. “This guide will help companies disclose efforts to eradicate human trafficking from their supply chains and empower consumers to make informed purchasing decisions.”

Who Must Comply

The act requires large retailers and manufacturers that do business in California to disclose on their websites their efforts to eradicate slavery and human trafficking from their direct supply chain for tangible goods offered for sale.

The act applies to companies doing business in California that have annual worldwide gross receipts totaling more than $100 million and which identify themselves on their California tax return as a retail seller or manufacturer.

Model Disclosures

In the Resource Guide, the attorney general explains each of the act’s requirements, and provides model disclosures inspired by actual company website disclosures.

A news release from the Attorney General’s Office that the model disclosures “aim to help businesses develop their own effective disclosures—ones that not only comply with the act, but also more fully educate the public about the integrity of their supply chains.”

Disclosure Categories

The act has five required disclosure categories. The retail seller or manufacturer must disclose to what extent, if any, it:

- Requires direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which the supplier is doing business.
- Maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.
- Trains company employees and managers who have direct responsibility for supply chain management on human trafficking and slavery, particularly mitigating risks within the supply chains of products.

The Attorney General’s release notes that the act does not impose any obligation on businesses to implement new measures. All disclosures must be made available on the company’s website and be accessible by a conspicuous link on the homepage.

If a company subject to the law does not have a website, it must provide written disclosures within 30 days of receiving a request for the information.

Reports

More information is available in reports from the Office of the Attorney General, www.oag.ca.gov:

- The State of Human Trafficking in California, 2012 report in which the Attorney General outlined the growing prevalence of human trafficking and emphasized that the crime is routinely “hidden in plain sight.”

Staff Contact: Marti Fisher

Tools to stay in touch with your legislators.
calchambervotes.com
New Surface Storage/Infrastructure Needed to Help Recharge Groundwater Basins

Expanding opportunities to recharge groundwater will require new surface storage and infrastructure to store and convey water to recharge areas, according to the latest state water plan update from the California Department of Water Resources (DWR).

Responding to comments that previous water plans lacked critical information on groundwater, DWR made the condition of the state’s groundwater basins the focus of the update released April 16.

In a foreword to the report, DWR Director Mark W. Cowin notes that the California Groundwater Update includes a “foundational set of data and analyses” of the state’s groundwater basins, well infrastructure, monitoring efforts, aquifer conditions and management practices.

Groundwater: The New Frontier

Unlike almost all other Western states, California never has had a comprehensive system for regulating groundwater. A body of common law grew that governs extraction and use of groundwater.

Management generally was in the form of plans developed by local agencies that focused primarily on gathering information. Farmers and other groundwater users have pumped at will without having to obtain government approvals.

The historic legislative package adopted in 2014 attempts to create such a comprehensive groundwater management system.

Groundwater Update

The Groundwater Update pulls together information about groundwater from a variety of sources, including the following observations:

• California groundwater basins contribute about 38% of the state’s total water supply in average years, but up to 46% in dry years.

• Many communities throughout the state rely on groundwater for all their water supply needs.

• Some of California’s groundwater basins have been managed sustainably for several decades, but others have not.

• Recent evaluations of high-use groundwater basins have documented significant declines in groundwater levels, degraded groundwater quality and increases in land subsidence.

• The state’s demand for and reliance on groundwater will continue to increase due to population growth, climate change, ecosystem and instream flow requirements, and a trend toward growers planting crops that depend on groundwater.

Recommendations

The report notes that changing how groundwater data is collected, shared, evaluated and reported is one key to improving groundwater management practices in the state.

Answering fundamental questions about the sustainability of groundwater supply and use requires “a regular, consistent and committed cycle of data collection, reporting, and assessment,” the report states.

The report’s recommendations include:

• Transparency by all state agencies, opportunities for public participation and accessible, user-friendly processes for making groundwater data available to the public to ensure policy and management decisions are based on the best scientific data available.

• Local agencies and regional water management groups should continue to work together to create effective groundwater sustainability agencies while setting local/regional priorities for groundwater planning, infrastructure and recharge programs.

• Expanding opportunities for groundwater recharge will require better hydrogeological studies of basins and new surface storage and infrastructure to store and convey water to recharge areas.

• The state should provide available funding, technical support and necessary guidance, but it is the responsibility of local agencies “to ensure that groundwater resources are sustainably managed at the groundwater basin level to collectively provide for California’s diverse agricultural, urban, and natural resource needs.”

The report notes that it will take “years to achieve the ultimate goal of local sustainable groundwater management at a statewide scale.”

Staff Contact: Valerie Nera

CalChamber-Sponsored Seminars/Trade Shows

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Japan/South Korea Trade and Leadership Mission. CalAsian Pacific Chamber. May 9–21, Seoul, South Korea and Tokyo, Japan. (916) 446-7883.

SelectUSA Road Show in Mexico. SelectUSA, May 12–14, Merida, Mexico City and Tijuana, Mexico. (202) 482-6800.

Orange County World Trade Week. Irvine Chamber and UPS. May 14, Irvine. (949) 502-4128.

SelectUSA Greater China Road Show. SelectUSA, May 18–29, Hong Kong, Shenzhen, Dongguan, Guangzhou, Shanghai, Shenyang and Dalian, China. (202) 482-6800.


9th World Chambers Congress. International Chamber of Commerce. June 10–12, Torino, Italy.


Hong Kong/China Trade and Leadership Mission. CalAsian Pacific Chamber. August 14–27, Hong Kong, Guangzhou, Shanghai, and Beijing, China. (916) 446-7883.

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CalChamber Urges Quick Passage of Bipartisan U.S. Bill Promoting Trade

Federal legislation renewing the authority for the President and/or U.S. Trade Representative to negotiate trade agreements has been introduced. The California Chamber of Commerce is urging the California congressional delegation to quickly pass the bill because it will help boost U.S. exports and create American jobs.

The Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (TPA-2015) was introduced by Senate Finance Committee Chairman Orrin Hatch (R-Utah), ranking Senator Ron Wyden (D-Oregon) and U.S. House Ways and Means Committee Chairman Paul Ryan (R-Wisconsin).

Trade is an important engine for U.S. economic growth and jobs. With 11.7 million U.S. jobs tied to exports and 95% of the world’s population abroad, U.S. engagement in the international marketplace is more important than ever.

“California is a top exporting state with one of the 10 largest economies in the world and a gross state product exceeding $2 trillion,” said CalChamber Vice President of International Affairs Susanne T. Stirling.

“It is important for congressional leaders of both parties to know this legislation is critical to companies, workers, farmers, and ranchers in our state, and that the California congressional delegation supports this job-creating renewal of trade promotion authority for the President and/or U.S. Trade Representative to negotiate trade agreements,” she said.

Trade Promotion Authority

Every president since Franklin Delano Roosevelt has been granted the authority to negotiate market-opening trade agreements in consultation with Congress. The landmark Trade Act, H.R. 3009 of August 6, 2002, helped put U.S. businesses, workers and consumers back in the game of international trade by granting the president trade promotion authority (TPA).

Since 2002, the United States has completed free trade agreements (FTA) with Australia, Bahrain, Chile, Colombia, the Dominican Republic/Central America, Morocco, Oman, Panama, Peru, Singapore and South Korea. Financially, this translates into the removal of billions of dollars in tariffs for U.S. exports.

Several hundred FTAs are in force worldwide, with the United States party to just a handful. For example, both Canada and Mexico have FTAs with Chile. Mexico has more than 45 FTAs with countries and blocs, including Japan, Israel and the European Union. Chile has more than 50 FTAs with countries worldwide.

Opening Markets

Now, without trade promotion authority, the United States will be compelled to sit on the sidelines while other countries negotiate numerous preferential trade agreements that put U.S. companies at a competitive disadvantage. The more the United States cooperates with its friends, the less they’ll depend on U.S. rivals.

If we don’t write the rules of the global economy, somebody else will. Trade promotion authority not only opens markets and broadens opportunities for U.S. goods and firms; it will make the United States the leader in global trade.

By approving trade promotion authority, Congress can help strategically address the range of U.S. trade negotiations being pursued, including the Trans-Pacific Partnership (TPP) between the United States and Asia-Pacific region, and the Transatlantic Trade and Investment Partnership (TTIP) between the United States and European Union.

Trade promotion authority is vital for the President of the United States to negotiate new multilateral, bilateral and sectoral agreements that will continue to tear down barriers to trade and investment, expand markets for U.S. farmers and businesses and create higher-skilled, higher-paying jobs for U.S. workers.

CalChamber Position

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad and elimination of disincentives that impede the international competitiveness of California business.

The CalChamber supports allowing California companies to compete more effectively in foreign markets, as well as to attract foreign business to California.

The CalChamber, therefore, supports the extension of trade promotion authority so that the President of the United States may negotiate new multilateral, sectoral and regional trade agreements, ensuring that the United States may continue to gain access to world markets, resulting in an improved economy and additional employment of Americans.

Action Needed

The CalChamber is calling on members to contact their representatives in Congress and urge support for TPA-2015.

An easy-to-edit sample letter is available in the grassroots action center at www.calchambervotes.com.

For more information, please visit www.calchamber.com/TPA.

Staff Contact: Susanne T. Stirling
LIVE WEBINAR | THURSDAY, MAY 21, 2015 | 10:00 - 11:30 A.M. PT

Paid Sick Leave Checkup for California Employers

While the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522) took effect January 1, 2015, California employers are required to provide the paid sick leave benefit starting July 1, 2015. With very few exceptions, this mandate applies to all private and public employers, regardless of size.

If you attended CalChamber’s “California’s New Paid Sick Leave” webinar in November 2014, our May webinar revisits AB 1522’s requirements. It also covers compliance how to’s, as well as information from the Labor Commissioner’s Office. The wording of the law’s provisions has certainly generated lots of questions.

Cost: $199.00 | Preferred/Executive Members: $159.20

PURCHASE at calchamber.com/may21webinar or call (800) 331-8877.