

ALERT

VOLUME 41, NUMBER 15 • MAY 15, 2015

 **CalChamber**
CALIFORNIA CHAMBER OF COMMERCE

Governor Holds Steady on Prudent Spending Plan



Warning that a recession is inevitable, Governor Edmund G. Brown Jr. dampened spending expectations even as higher revenues have poured into state coffers.

Overall, the administration's latest revision to the proposed state spending plan envisions \$6.7 billion in new General Fund revenues compared to the January budget.

Most of the additional spending will reflect priorities enshrined by the voters in the state Constitution. About \$5.5 billion will be devoted to K-12 schools and community colleges. The Governor will also deposit \$633 million of the recent windfall into the new rainy day reserve, and use a like amount to pay

down existing budgetary debt.

"Governor Brown has wisely set aside these new revenues to repay prior state debts and build a prudent reserve for the future. Strengthening the state's financial position is the best hedge against future economic downturns, protecting key state programs and taxpayers alike," said Allan Zaremberg, president and CEO of the California Chamber of Commerce.

Fiscal Balance

The Governor was adamant that fiscal balance be a mainstay of his governing philosophy. He acknowledged that the budget assumes expansion of the economy, but that "as we know, economic expansions do not last." Therefore, the budget proposes repaying a total of nearly \$2 billion in budget-related debt and socks away nearly \$3.5 billion in a rainy day reserve.

See Governor Holds Steady: Page 4

Disability Access/ Education Bill Passes Senate Policy Committees



A California Chamber of Commerce-sponsored job creator bill that incentivizes

disability access and education passed two Senate policy committees this week.

SB 251 (Roth; D-Riverside) is a balanced approach between preserving the civil rights of those who are disabled to ensure access to all public accommodations, and limiting the number of frivolous lawsuits threatened or filed against businesses that do not improve accessibility.

The bill passed the Senate Judiciary Committee and the Senate Governance and Finance Committee this week with unanimous support.

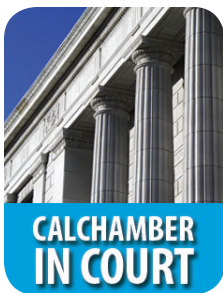
Access

SB 251 seeks to incentivize businesses to proactively take steps to become accessible by providing them with 90 days from receiving a Certified Access Specialist (CAsp) report to resolve any violations identified without being subject to statutory penalties or litigation costs. This proposal will assist businesses that are trying to ensure they are compliant with the law from being subject to frivolous claims or litigation.

SB 251 also provides a limited time period for businesses to resolve minor, technical construction-related standards that do not actually impede access to the

See Disability Access/Education: Page 6

Air Board Asks Courts to Create New Tax



In a landmark case before the Third District Court of Appeal, the California Air Resources Board (ARB) recently argued for creation of an unprecedented tax doctrine that could

raise billions of dollars in new revenues.

The ARB described the new revenue not as a tax or a fee (or any other recognized revenue-raising mechanism), but as a "byproduct" of a regulatory program.

CalChamber Challenge

The case, *California Chamber of Commerce v. California Air Resources Board*, challenges the legality of the cap-and-trade auction ARB set up as part of its program to reduce greenhouse gas (GHG) emissions to meet goals outlined in AB 32, the climate change law.

The CalChamber is arguing that:

- The ARB exceeded the authority the law granted it by reserving GHG allowances to itself and auctioning those allowances to GHG emitters to raise revenues; and

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CalChamber VP on Trade Advisory Council: Page 5

Labor Law Corner

Scheduling to Accommodate Religious Beliefs: Factors to Consider



Ellen Savage
HR Adviser

My employee just asked to be removed from the schedule for Sundays so she can attend church, and requested to work Saturdays instead. Could I compromise and give her every other Sunday off or schedule her for Thursdays instead of her requested Saturdays, or do I have to honor her request exactly as made? May I ask for a note from her pastor that she really does attend church?

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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.

Permission granted to reprint articles if credit is given to the California Chamber of Commerce Alert, and reprint is mailed to Alert at address above.

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Employers must reasonably accommodate their employees' religious beliefs, including making changes in their work schedules, unless doing so would cause an undue hardship.

If there is more than one reasonable accommodation that would meet the employee's religious needs, the employer is not obligated to provide the exact accommodation requested by the employee.

Accommodating Requests

In this case, the employer could offer the option of working every other Sunday only if it could show it would be an undue hardship to give this employee every Sunday off. This will be determined by looking at all the circumstances, including whether there are enough employees who could be scheduled for Sundays.

Although other employees may also prefer to have Sundays off for nonreligious reasons, the employee who has a religious reason will take priority. This generally is true even if other employees have more seniority, or have not worked Sundays in the past and/or do not want to work on Sundays.

Since offering only every other Sunday off does not fully eliminate the religious conflict, it would not be considered reasonable unless the employer could show the business would suffer an undue hardship. This might be the case if so many employees wanted Sunday off for religious reasons that the business would not be able to stay open on Sundays.

The employer could offer to accom-

modate the employee by scheduling her for Thursdays instead of the Saturdays she had requested.

While the employee might not want to work Thursdays because she takes a college class or does not have daycare for her children that day, the employer is not required to grant the employee's preferred change of schedule so long as the schedule change granted reasonably accommodates the religious need.

Verification of Religious Beliefs

Where an employer has bona fide doubt about the need for an accommodation or the sincerity of the employee's religious belief, the employer may ask the employee for information to address the employer's doubts.

Federal guidelines indicate, however, that an employee's own explanation of the religious belief may be sufficient so that written verification from a third party, such as the employee's pastor (or other religious leader) would not be necessary.

Requesting unnecessary evidence could subject the employer to claims of denial of reasonable accommodation, as well as retaliation and harassment.

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.

CalChamber-Sponsored Seminars/Trade Shows

More 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

Unemployment Insurance 101: The Basics. National Foundation for Unemployment Compensation and Workers' Compensation. June 17, San Diego. (916) 501-6347.

34th National UI Conference. National Foundation for Unemployment Compensation and Workers'

Compensation. June 17-19, San Diego. (202) 223-8904.

California Travel Summit 2015.

Monterey County Convention and Visitors Bureau. June 17-19, Monterey. (559) 289-9396.

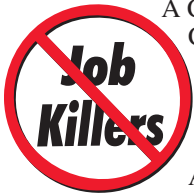
International Trade

18th Annual International Business Luncheon. World Trade Center Northern California. May 28, Sacramento. (916) 321-9146.

How to Trade with Asian Countries. Port of Los Angeles. June 5, Camarillo. (310) 732-7765.



Costly Employee Retention Mandate Passes; Consideration by Entire Assembly Next



A California Chamber of Commerce-opposed “job killer” bill that denies employers the basic choice of whom to hire passed the Assembly Judiciary Committee this week.

AB 359 (Gonzalez; D-San Diego)

inappropriately alters the employment relationship and increases frivolous litigation by allowing a private right of action and by requiring any successor grocery employer to retain employees of the former grocery employer for 90 days and continue to offer continued employment unless the employees’ performance during the 90-day period was unsatisfactory.

AB 359 will be considered next by the entire Assembly.

‘Job Killer’ Problems

In addition to the flaws identified above, the CalChamber considers AB 359 a “job killer” because it:

- **Eliminates an employer’s opportunity to investigate applicants before hiring.** AB 359 basically eliminates any distinction from one employer to the next regarding the type of workforce the employer can deliver. Additionally, by limiting a subsequent employer’s ability to properly conduct background checks of potential employees, AB 359 is setting up these subsequent employers for potential negligent hiring litigation.

- **Undermines the at-will presumption in order to protect the incumbent union.** Because AB 359 mandates subsequent employers to hire the predecessor’s employees for at least the 90-day retention period and, thereafter, terminate such employees only for unsatisfactory performance committed during the 90-day period, it limits a successor employer’s ability to voluntarily choose its workforce, thereby triggering the successor employer doctrine. “Unsatisfactory” performance is a higher standard to achieve than the current at-will presumption of employment in California and will essentially force an employer to offer continued employment to the predecessor’s workforce, thereby ensuring recognition of the incumbent union. If a suc-

cessor employer actually chooses not to offer continued employment based upon “unsatisfactory” performance, it will undoubtedly face unfair labor practice charges and civil litigation by the employee or incumbent union.

- **Forces an employer to adhere to terms of a contract to which it is not a party.** AB 359 mandates a successor employer to abide by these contractual provisions, even though the successor employer is not actually a party to that collective bargaining agreement. Moreover, this provision of AB 359 places a successor employer in a vulnerable position for an unfair labor practice claim between the “terms and conditions” it establishes versus the provisions of the predecessor employer’s collective bargaining agreement.

- **Does not provide stability or reduce unemployment in the grocery industry.** Due to the fact that AB 359 mandates that a subsequent employer must hire all of the predecessor’s employees, the subsequent employer will be forced to either: (1) displace its existing workforce to take on the new employees or (2) eliminate positions it would have opened to new applicants in the grocery industry, as those positions will be filled by the prior grocer’s employees.

- **Discourages investment in grocery establishments and jeopardizes jobs.** Eliminating a successor grocery employ-

er’s ability to voluntarily choose its own workforce will ultimately discourage those employers from investing in failing grocery stores or even taking over an existing grocery establishment.

- **Offers no evidence that it preserves health and safety standards.**

Although AB 359 states that retaining employees of a prior employer will preserve “health and safety standards” in grocery establishments, the bill makes this presumption without any evidence as to how maintaining employees of a prior grocery establishment that was failing in some manner achieves this preservation.

Key Vote

AB 359 passed Assembly Judiciary on May 12 on a party-line vote of 7-3:

Ayes: Mark Stone (D-Scotts Valley), Alejo (D-Salinas), Chau (D-Monterey Park), Chiu (D-San Francisco), Cristina Garcia (D-Bell Gardens), Holden (D-Pasadena), O’Donnell (D-Long Beach).

Noes: **Wagner (R-Irvine), Gallagher (R-Yuba City), Maienschein (R-San Diego).**

Action Needed

The CalChamber is asking members to contact their Assembly representatives and urge that they **oppose AB 359**.

An [easy-to-edit sample letter](#) is available at www.calchambervotes.com.

Staff Contact: Jennifer Barrera

MAY 27-28, 2015

CAPITOL SUMMIT & SACRAMENTO HOST BREAKFAST

Governor

Attorney General

CalChamber Chair

Governor Holds Steady on Prudent Spending Plan

From Page 1

As usual, the top spending priority is education, with K–14 school spending pegged to grow by \$9.5 billion over two years, or 16%.

The budget proposal also represents a multi-year plan to solidify higher education finances. The University of California (UC) and California State University (CSU) will maintain tuition at current levels for two years. The Governor proposes increasing state funds to CSU to a total of \$158 million, and to provide temporary funding to UC from budget debt repayment funds to offset UC's pension liability. The higher education

segments will also work to ease transfers from community colleges and reduce time to successfully complete a degree.

The Governor also proposed a new refundable tax credit for the working poor—a first-ever Earned Income Tax Credit for California.

Working taxpayers with incomes less than \$6,850 (with no dependents) or \$13,870 (with three or more dependents) would receive a credit of 85% of the federal credit. This would benefit working households, according to the Department of Finance, \$460 on average, to a maximum of \$2,653. The administration estimates as many as 825,000 families

may benefit from this new tax credit.

Cap-and-Trade Auction

Finally, the Governor proposes a major increase in spending from the revenues derived from the state's cap-and-trade auction. The administration proposes including \$2.2 billion for spending on a variety of clean transportation, mass transit, energy efficiency and ecosystem restoration programs.

CalChamber is in litigation with the Air Resources Board, challenging the legality of the auction (though not the cap-and-trade program itself). [See related story on Page 1.](#)

Air Board Seeks to Create New 'Byproduct' Tax

From Page 1

• Such an auction is a "tax" requiring a two-thirds vote of the Legislature, which was not obtained.

The CalChamber is not challenging AB 32 or the cap-and-trade mechanism itself, because the goals of AB 32 can be achieved effectively using cap and trade. In fact, the efficacy of cap and trade to meet the GHG reduction goals would be unaffected in the absence of the auction.

The lawsuit aims to prevent the powerful regulatory agency from expanding its reach beyond the boundaries set by the Legislature, and to maintain the integrity of the revenue-raising rules of Proposition 13.

Air Board Claim

But the ARB has raised the stakes even higher by suggesting that the revenues raised by the auction are neither taxes nor fees.

The auctions so far have raised nearly \$1.6 billion in revenues that have been deposited into state coffers. The Legislative Analyst has estimated the auction will raise tens of billions more dollars by 2020.

The ARB instead claims that the auction is a legitimate exercise of its regulatory powers and that the billions in new revenues are "incidental" to that regulation. In fact, the ARB flatly states that the auction was not enacted for the purpose of increasing revenues; therefore, it is not a tax.

The Air Board had previously acknowledged that the auction revenues resided comfortably within the state's tax

system, and as "a non-distortionary source of proceeds" could be used "as a substitute for distortionary taxes such as income and sales taxes."

Fee or Tax?

The lead doctrine on determining whether a charge is a fee or a tax is the California Supreme Court decision in *Sinclair Paint v. Board of Equalization*.

The court held that a regulatory fee is legitimate if:

- There is a reasonable relationship between the amount charged and the burdens imposed by the fee payer's operations;
- It is not used for unrelated revenue purposes; and
- The remedial measures funded with the charge are caused by or connected to the fee payer's operations.

Lacking any of these factors, the charge is a tax.

New Revenue Category

Since it is apparent that the auction cannot meet these criteria, the ARB dismissed *Sinclair's* relevance, stating that the "requirements that govern fees are not useful for reviewing other exercises of the police power."

Even though the ARB claims the revenues are incidental to a regulatory program, it declined to label them as "fees."

In other words, the ARB has asked the court—in the case of fees imposed for regulatory purposes—to disregard the leading doctrine on regulatory fees.

To be sure, there are charges that government legitimately imposes that are neither fees nor taxes which fit comfortably within the Proposition 13 rubric: special assessments and development fees for infrastructure, charges for goods and services, fines and penalties for law breaking.

But the ARB has sought refuge in none of those time-tested revenue constructs. Instead, it has asked the court to invent a new, unique category of non-tax, non-fee, non-assessment, non-penalty, non-service charge that fits the auction revenue system.

The ARB is seeking a safe harbor for revenues "incidental to regulation" that it claims are not regulatory fees, and which will generate tens of billions of dollars for new spending programs that somehow are not taxes.

In fact, next year the revenues from auctions will be one of the largest sources of state revenues—and bound to grow as the ARB allocates even more allowances to itself.

CalChamber Objection

The CalChamber has vigorously disputed this new doctrine, calling it "unprecedented, undemocratic and amorphous."

Proposition 13 and the *Sinclair* decision have limited and rationalized tax and fee doctrine for 37 years, setting out the rules that balance operational flexibility with accountability.

The Court of Appeal will hear oral arguments in this case later this year.

[Contact: Loren Kaye](#)

‘Job Killer’ Beverage Tax Fails to Pass Assembly Health Committee



Legislation targeting certain beverages for a new tax was rejected by the Assembly Health Committee this week.

The California Chamber of Commerce **opposed AB 1357 (Bloom; D-Santa Monica)** as a “job killer” because it threatened jobs in beverage, retail and restaurant industries by arbitrarily and unfairly targeting certain beverages for a new tax in order to fund children’s health programs.

Tax, Not a Fee

Despite its description as a “health impact fee,” AB 1357 actually sought to impose a \$0.02 excise tax on each fluid ounce of a bottled sweetened beverage and a \$0.02 excise tax on each fluid ounce produced from a concentrate from which a sweetened beverage is derived.

The revenue from this tax would have been used to fund the Children and Family Health Promotion Trust, which would have provided state agencies with the authority to issue grants to county governments, nonprofits and other community organizations to invest in childhood obesity and diabetes prevention, as well as oral health.

Given that the benefit from this revenue would go to recipients beyond just those who actually pay the “fee” and that the “fee” does not fall within any of the other listed exceptions under the California Constitution, it is a tax.

Higher Prices, Job Loss

This targeted tax would certainly have been passed on to consumers through higher prices. As a result of the passage of Proposition 30, California now has the highest sales and use tax rate in the nation at 7.5%, as well as the highest personal income tax bracket at 13.3%. Residents of California already are highly taxed, and AB 1357 would only have contributed to their overall costs of living in this state.

Moreover, given that the intended effect of AB 1357 is to deter consumers from purchasing such beverages or concentrates, it would have had a direct

impact on the beverage industry and its employees.

This proposed tax would have forced these businesses to adjust for their losses, including potential reductions in their workforce. The business community consistently maintains that, if a tax is necessary, it should be only temporary and broad based so that the impact is minimized as the tax burden is shared by all instead of an individual business or industry.

New Revenue Pressure

AB 1357 would have created a new fund for the revenue from this excise tax in order to educate people on and prevent childhood obesity as well as improve dental health. The CalChamber appreciates the effort to address this health issue; however, the CalChamber was concerned by the creation of additional state programs that ultimately may rely upon General Fund revenue in order to survive.

If AB 1357 deterred consumers from purchasing sweetened beverages, as intended, then this excise tax is a decreasing revenue source. The programs created by AB 1357 would have simultaneously experienced a loss of funding as the revenue decreased, thereby potentially placing more pressure on the General

Fund to replace the declining revenue. California has struggled over the past several years with budget cuts and revenue loss.

Although the passage of Proposition 30 has provided relief, there is not necessarily additional revenue to support more programs.

Key Vote

AB 1357 failed to pass Assembly Health on May 12, 6-10:

Ayes: Bonta (D-Alameda), Bonilla (D-Concord), Chiu (D-San Francisco), Nazarian (D-Sherman Oaks), Thurmond (D-Richmond), Wood (D-Healdsburg).

Noes: **Maienschein (R-San Diego), Burke (D-Inglewood), Chávez (R-Oceanside), Gonzalez (D-San Diego), Roger Hernández (D-West Covina), Lackey (R-Palmdale), Patterson (R-Fresno), Ridley-Thomas (D-Los Angeles), Steinorth (R-Rancho Cucamonga), Waldron (R-Escondido).**

Absent/abstaining/not voting: Gomez (D-Los Angeles), Rodriguez (D-Pomona), Santiago (D-Los Angeles).

2015 ‘Job Killers’

To view the status of the 2015 “job killer” bills, visit www.CAJobKillers.com.
Staff Contact: Jennifer Barrera

Governor Names CalChamber Vice President to International Trade Advisory Council



Susanne Stirling, California Chamber of Commerce vice president for international affairs, has been appointed to the International Trade and Investment

Advisory Council by Governor Edmund G. Brown Jr.

Stirling has led the CalChamber International Trade Department since 1982. She is a member of the National Export Council Steering Committee, U.S.

Chamber of Commerce International Committee, University of the Pacific Board of Regents and the Chile-California Council, and is an alternate member at the California International Relations Foundation Board.

Stirling earned an M.A. in international relations from the University of Southern California School of International Relations, and a B.A. in international relations from the University of the Pacific.

The position does not require Senate confirmation and the compensation is \$100 per diem.

The California International Trade and Investment Advisory Council advises the

See Governor Names: Page 7

CalChamber-Backed Regulatory Reform Bills Pending in Legislature



SUPPORT

California Chamber of Commerce-supported proposals to provide regulatory relief to California businesses are pending in the Legislature.

All the bills strengthen the accountability and transparency of the state's regulatory process, paving the way to effective and least burdensome regulations.

In Senate

In the Senate after passing the Assembly with unanimous support is [**AB 797 \(Steinorth; R-Rancho Cucamonga\)**](#), requiring legislative review of major regulations that have an economic impact of \$50 million or more.

AB 797 requires the Office of Administrative Law to submit a copy of each major regulation to the Legislature for review. The bill will enhance the Legislature's ability to perform its oversight and accountability role by providing information on major rulemaking to inform discussion on pending and future laws.

The bill awaits assignment to a Senate policy committee.

In Assembly

Awaiting action by the entire Assem-

bly is [**AB 419 \(Kim; R-Fullerton\)**](#), which assists small businesses with navigating California's complex regulatory structure by directing the Governor's Office of Business and Economic Development (GO-Biz) to post information regarding pending regulations that may affect small business, and information about the rulemaking process on its website.

A number of bills await review of their fiscal impact by the Assembly Appropriations Committee:

- [**AB 12 \(Cooley; D-Rancho Cordova\)**](#) requires state agencies to review existing regulations to address inconsistencies, overlaps and outdated provisions and adopt amendments to eliminate those issues.

- [**AB 410 \(Obernolte; R-Big Bear Lake\)**](#) requires state agencies to post to their website any report they are required or requested by law to be submitted to a legislative committee.

All documents become subject to the state Public Records Act once they are shared with the Legislature, but there is no requirement that these reports be posted online. SB 410 simply removes any barrier for public access to reports to the Legislature, thereby increasing transparency, promoting accountability and facilitating public engagement.

- [**AB 19 \(Chang; R-Diamond Bar\)**](#) requires a review of regulations, and then

the opportunity to amend those regulations to be less costly and less burdensome for small business.

Specifically, AB 19 requires that GO-Biz, under the direction of the Small Business Advocate, establish a process for the ongoing review of existing regulations affecting small businesses in order to determine whether those rules need to be amended to become more effective, less burdensome or less costly for small businesses.

- [**AB 866 \(Eduardo Garcia; D-Coachella\)**](#) provides the opportunity for agencies to consider the impacts of regulations on small business, paving the way for less costly and less burdensome regulations.

AB 866 requires specified small business impact information be provided to agencies during the rulemaking process.

Nearly 90% of all businesses in California have fewer than 20 employees; these businesses create the most new jobs, according to the U.S. Census Bureau and the Kauffman Foundation.

Passage of the regulatory reform bills will create important opportunities for the state to improve the rulemaking process and work toward creating a more favorable regulatory climate in which to create jobs and grow California's economy.

Staff Contact: Marti Fisher

Disability Access/ Education Bill Passes Senate Policy Committees

From Page 1

public accommodation. Specifically, SB 251 provides businesses with 15 days from the service of the summons and complaint to resolve any alleged violation regarding signage, parking lot striping, and truncated domes.

This limited period will provide a business owner the opportunity to devote financial resources to resolving these minor issues before being subjected to statutory penalties and attorney fees.

Education

SB 251 also requires the California Commission on Disability Access to post educational materials for business owners regarding how to comply with California's construction-related accessibility

standards, as well as share that information with local agencies and departments.

The bill requires landlords to notify tenants as to whether a building has been inspected by a CASp, as well as who is liable for any alleged violations. Notice and education are key components to helping create more accessible public accommodations and limiting frivolous claims or litigation.

Tax Credit

Finally, SB 251 creates an additional incentive for businesses to become accessible by providing a tax credit for access expenditures.

Key Votes

SB 251 passed Senate Judiciary on

May 12, 6-0.

Ayes: Anderson (R-Alpine), Hertzberg (D-Van Nuys), Jackson (D-Santa Barbara), Leno (D-San Francisco), Monning (D-Carmel), Wieckowski (D-Fremont).

No Vote Recorded: Moorlach (R-Costa Mesa).

The bill passed Senate Governance and Finance on May 13, 7-0:

Ayes: Hertzberg (D-Van Nuys), Nguyen (R-Garden Grove), Beall (D-San Jose), Ed Hernandez (D-West Covina), Lara (D-Bell Gardens), Moorlach (R-Costa Mesa), Pavley (D-Agoura Hills).

The bill will be considered next by the Senate Appropriations Committee.

Staff Contact: Jennifer Barrera

Coalition Keeps Pushing for Federal Bill Promoting Trade



Federal legislation renewing the authority for the President and/or U.S. Trade Representative to negotiate trade

agreements hit a snag this week as the U.S. Senate failed to pass a proposal to begin debating the merits of the bill.

The California Chamber of Commerce is part of a coalition that is continuing to press Congress and 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.

CalChamber Vice President of International Affairs Susanne T. Stirling has emphasized the importance for congressional leaders of both parties to know this legislation is critical to companies, workers, farmers, and ranchers in California.

California is a top exporting state with one of the 10 largest economies in the world and a gross state product exceeding \$2 trillion.

Every president since Franklin Delano Roosevelt has been granted the authority to negotiate market-opening trade agreements in consultation with Congress.

Several hundred free trade agreements (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

By approving trade promotion author-

ity, 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.

Action Needed

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

An [easy-to-edit sample letter](#) is available in the grassroots action center at www.calchambervotes.com.

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

Staff Contact: Susanne T. Stirling

Governor Names CalChamber VP to International Trade Advisory Council

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Governor's Office of Business and Economic Development (GO-Biz) on strategies to expand international trade and investment for California businesses and assists GO-Biz in identifying foreign markets with the greatest potential for export expansion.

The council also aids GO-Biz in developing specific export strategies for those markets—including the state's top trading partners, Canada, Mexico and China, and emerging markets such as Brazil and India, as well as strategies to attract more job-creating foreign direct investment into the state.

The council will hold its first meeting next month in Sacramento.

Other Appointees

Among the other council appointees is Roy Paulson, a longtime member of the CalChamber Council for International Trade. Paulson is president of Paulson Manufacturing and director of Paulson International Ltd.

He chairs the National District Export

Council. Stirling serves with Paulson on the national council's steering committee. Both are appointed by the U.S. Secretary of Commerce.

The appointments build on Governor Brown's actions to boost international trade, including the 2013 mission to China, the opening of the California-China trade office in Shanghai, a trade meeting with China's President Xi Jinping in California and the 2014 Trade and Investment Mission to Mexico, where the Governor was joined by a delegation including approximately 90 business, economic development, investment and policy leaders from throughout California.

The Mexico mission was organized by CalChamber with the assistance of its nonprofit think tank, the California Foundation for Commerce and Education.

California recently surpassed Brazil to become the seventh largest economy in the world. The state registered a record number of exports in 2014 with businesses exporting more than \$174.1 billion in goods, 3.6% higher than the previous year. Foreign-controlled companies

employ 590,100 California workers and foreign investment in the state is responsible for 4.9% of the state's total private industry employment.

See the news release at www.gov.ca.gov for other members of the California International Trade and Investment Advisory Council.

CalChamber Calendar

Capitol Summit and Host Breakfast:

May 27–28, Sacramento

International Forum:

May 27, Sacramento

Water Committee:

May 27, Sacramento

Environmental Regulation Committee:

May 27, Sacramento

Fundraising Committee:

May 27, Sacramento

Education Committee:

May 27, Sacramento

Board of Directors:

May 28, Sacramento

July 1 Compliance Alert



**Mandatory Changes
to CFRA Notice B
Effective July 1, 2015**

California Employers: You must post the **revised CFRA notice** on July 1, 2015 if you are a:

- Private-sector employer with 50 or more employees in 20 or more workweeks in the current or preceding calendar year, including a joint employer or successor in interest to a covered employer; or
- Public agency, including a local or state government agency, regardless of the number of employees you employ.

Order CalChamber's updated all-in-one poster today and **save 20%** through June 30. **Preferred and Executive members save an extra 20%** after their member discount.

PURCHASE at calchamber.com/july1alert or call (800) 331-8877 with priority code JPNA.

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