

# ALERT

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## Paid Sick Leave Author Proposing Changes to Law



With less than a month to go before the paid sick leave law passed last year takes effect on July 1, urgency legislation is pending in the Legislature to adjust how the law is implemented.

**AB 304 (Gonzalez; D-San Diego)**, if passed and signed into law, will make the following changes in the paid sick leave law, according to a preliminary markup of proposed amendments. The bill provisions outlined below may change before the final version of AB 304 is signed into law.

### Proposed Changes

- Require that the employee work for the same employer for 30 or more days within the previous 12 months in order to qualify for accrued sick leave. As enacted, the paid sick leave law provides that an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from beginning employment is entitled to paid sick days.

- Exclude a retired annuitant of a public entity from being subject to the paid sick leave law.

- Authorize an employer to provide for employee sick leave accrual on a basis other than one hour for each 30 hours worked, provided that the accrual is on a

*See Paid Sick Leave: Page 5*

## CalChamber Continues Push for Trade, Cites Benefits



The U.S. House of Representatives this week agreed with the California Chamber of Commerce, voting

218-208 to renew the authority of the President and/or U.S. Trade Representative to negotiate trade agreements that help keep California competitive in the global marketplace.

The June 18 House action was a second vote on a separate Trade Promotion Authority (TPA) bill. The U.S. Senate must act on the proposal (the vote is expected by Wednesday, June 24) before it goes to the President, who is expected to sign it.

TPA 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 farmers and businesses and create higher-skilled, higher-paying jobs in California and the nation.

“Competition is part of the natural flow of international commerce, with or without trade agreements,” notes Susanne T. Stirling, CalChamber vice president of international affairs. “The United States will miss opportunities and lose market share if we don’t engage in the world through trade agreements that help U.S. companies stay in the game.”

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### Capitol Report

## Split Roll Bill Will Hurt Small Business



CalChamber **CAPITOL REPORT**

Jennifer Barrera, Policy Advocate, Labor and Employment, Legal, Taxation

CalChamber Policy Advocate Jennifer Barrera recaps how a recently amended job killer bill unfairly targets commercial and industrial property owners in the latest Capitol Report video. [Story inside.](#)

### Inside

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## Labor Law Corner

# How to Calculate Rest Break Payment for Piece-Rate Workers



**Barbara Wilber**  
HR Adviser

*We pay our employees by piece rate. What is this I'm hearing about paying additional wages for the rest break? Is this true and how do we calculate it?*

Yes, it is true. As the result of the court case, *Bluford v. Safeway Stores Inc.*, 216 Cal.App.4th 864 (2013) employers that use a piece-rate method of payment are now required to sepa-

rately compensate employees for their rest break time.

The Division of Labor Standards Enforcement (DLSE) has provided the following calculation example:

### Example

Additional Compensation for Rest Periods Taken by Piece-Rate Workers  
Example: Piece-rate employee works 40 hours, 5 days a week with two 10-minute rest periods taken on each workday, and earns \$600 in a particular workweek.

- Total hours worked for the week = 40 hours.
- Total length of rest periods taken during the week: 100 minutes (which is derived from two 10-minute rest periods taken per day x 5 days a week).
- 100 minutes ÷ 60 (1 hour) = 1.667 as total hours for rest period taken.
- Hours spent on making pieces: 40 hours – 1.667 hours = 38.333 hours.
- Rate of pay for rest period taken: \$600 (weekly piece amount made) ÷ 38.333 (hours spent on making pieces) = \$15.65 per hour.

- Additional compensation employer must pay for rest period taken : \$15.65 x 1.667 hours = \$26.09.

- Total wages this piece-rate worker shall be paid: \$600 (piece amount made) + \$26.09 (payment for rest periods taken) = \$626.09.

### Wage Orders

The Industrial Welfare Commission orders state that rest breaks shall be counted as hours worked and there shall be no deduction from wages. The method described above ensures that the compensation does not result in a deduction from the employee's regular wages.

Employers should review their piece-rate payments to ensure compliance with the above methods of calculation.

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*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](http://www.hrcalifornia.com).*

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## CalChamber-Sponsored Seminars/Trade Shows

More at [www.calchamber.com/events](http://www.calchamber.com/events).

### Labor Law

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

### International Trade

Korea Overseas Investment Fair. Korea Trade-Investment Promotion Agency. June 24–25, Gyeonggi-do, South Korea. (408) 432-5021.

Philippine Economic Briefing/Investment Conference. Philippine Trade and Investment Center-Silicon Valley. June 29, San Francisco. (408) 980-9637.

Trade Mission to California. Western United States Agricultural Trade Association. July 22–24, Salinas and Fresno. (360) 693-3373.

Development Banks: Your Finance Partner. U.S. Department of Commerce. July 30, San Jose. (408) 535-2758.

Export E-Commerce with China and Hong Kong. Port of Los Angeles. August 11, San Gabriel. (310) 732-7765.

Hong Kong/China Trade and Leadership

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

Trade Winds-Africa Trade Mission. U.S. Commercial Service. September 14–21, Johannesburg, South Africa. (304) 347-5123.

CalAsian Business Summit. CalAsian Pacific Chamber. September 17–18, Costa Mesa. (916) 446-7883.

Export Leaders Roundtable. Small Business Administration. September 17, Southern California (location to be determined). (415) 744-7730.

International Business Culture. Port of Los Angeles. September 29, Santa Ana. (310) 732-7765.

Bilateral Forum: CA and Latin America. The Port of Los Angeles and The Elden Company. October 1–3, San Pedro. (949) 300-5700.

Academia and Related Export Controls. U.S. Commercial Service. October 14,

*See CalChamber-Sponsored: Page 7*



*Capitol Report*

# Split Roll Bill Will Hurt Small Business



A recently amended job killer bill, [SCA 5 \(Hancock; D-Berkeley\)/Mitchell; D-Los Angeles](#), now seeks to undermine the protections of Proposition 13 by unfairly targeting commercial and

industrial property owners and increasing their property taxes by assessing their property based upon current fair market value instead of acquired value.

In the latest Capitol Report video, CalChamber Policy Advocate Jennifer Barrera explains that the California Chamber of Commerce is opposed because the bill “is unfair and will impose a discriminatory tax against commercial and industrial property owners that will ultimately harm small businesses with higher rent, consumers with higher prices and workers through potential job loss.”

Before the June 9 amendments, SCA 5 would have lowered the vote threshold for adopting tax increases from two-thirds to 55%.

## Current Prop. 13 Protections

Voters passed Proposition 13 with more than 64% of the vote in 1978 and put an end to continually increasing property taxes. Proposition 13 set a uniform 1% property tax rate, established property valuation at its acquisition value and limited yearly increases in assessed value to no more than 2%, providing certainty and predictability to government, homeowners and business owners.

Voters have been faced with split roll ballot initiatives twice in California’s history (Proposition 8 in June 1978 and Proposition 167 in November 1992) and rejected them both times.

SCA 5 would eliminate the stability under Proposition 13 for commercial and industrial property owners and starting in 2018, assess commercial and industrial real property based upon the fair market value of the property as of the date the property tax bill is issued.

In recognition of the significant tax increase this would be for such property owners, SCA 5 proposes a phase-in schedule for payment of this tax with all commercial and industrial property being assessed upon its current fair market

value by 2019–2020. Property owners saddled with this huge tax increase would be provided with two to three years to pay the taxes.

Additionally, property owners who are unfortunate enough to have a 25% increase in the current fair market value of their property compared to the prior assessed value will be exempt from paying those taxes until after five years, at which point the property owner will be liable for all taxes assessed.

## Increasing Property Taxes

Increasing property taxes for commercial and industrial property owners will ultimately create detrimental consequences for the general public, including small businesses, employees, and consumers.

Any higher taxes imposed on the owners of commercial and industrial property will likely be passed on to the small business tenants of such property through higher rent. Notably, SCA 5 excludes renters of residential property from its application, presumably due to concern that higher property taxes on apartment complexes will be passed on to tenants.

SCA 5, however, does not provide this same protection for tenants of commercial property who will also likely suffer

from significant increases to their rent as a result of higher property taxes on the property owner.

Such increased costs on commercial and industrial property owners and small businesses will also manifest as higher prices for consumers and/or cost saving measures, such as reductions in the workforce or employee benefits. A March 2012 report from Pepperdine University, “An Analysis of Split Roll Property Tax Issues and Impacts,” evaluated the impact on property owners for a proposal similar to SCA 5, with regard to assessing property on the current fair market value versus the acquisition value.

The report warned that businesses strapped with a multibillion-dollar tax increase would not be able to absorb the entire cost and would have to adjust accordingly through increased prices and rent, as well as a reduction in costs, including labor. Within the first five years, the report estimated, a tax increase of approximately \$6 billion would create a loss of more than 390,000 jobs, with an additional loss exceeding 100,000 in each year thereafter. This impact would be even larger with a higher tax increase.

*See Split Roll Bill: Page 7*

## Other Criticism of SCA 5 Split Roll

“... SCA 5 would raise \$9 billion—that’s billions of taxpayer dollars in a time when California is seeing a record budget surplus, is able to pay all its bills and store money in the rainy-day fund and still have a multibillion-dollar surplus... This is no time to raise taxes... This massive tax increase is not really about forcing businesses to pay their fair share because they already do. Instead, it is simply a money grab by special interests who want to raise taxes even more...”

—Jon Coupal, President, Howard Jarvis Taxpayers Association, and Rex Hime, President and CEO, California Business Properties Association, in *The Sacramento Bee*

“Proposition 13 change a giant tax hike—not a ‘fix.’ ... And the alleged fix would hammer tens of thousands of property owners who play by the rules and don’t game the system—and who employ millions of Californians.”

—*San Diego Union-Tribune*

“Implementing a split-roll property tax system would have significant negative consequences, as higher tax bills will lead to higher business rents and consumer prices... California is collecting record tax revenues while its businesses strain under burdensome taxes and regulations. Pushing for another \$9 billion a year from businesses only shows how out of touch legislators are with reality.”

—*Orange County Register*

# Governor, Democrats Agree on Budget

## Governor Calls Special Sessions on Roadway, Health Care Financing



Governor Edmund G. Brown Jr. this week announced that he and the Democratic leaders of the Assembly and Senate have reached agreement on a budget for 2015–2016 that saves billions of

dollars, pays down debt and allocates more funds to schools and low-income Californians.

The Governor also called for two special sessions of the Legislature—one to look at how to finance California roads, highways and other infrastructure, and the other to work on funding for Medi-Cal and in-home supportive services.

### Budget Highlights

- **Schools.** The budget agreement invests \$14.3 billion in K–12 schools and community colleges, including \$6 billion for the Local Control Funding Formula that allocates increases for students facing the biggest challenges.

- **Tax credit for working poor.** The first-ever California Earned Income Tax Credit provides \$380 million for the lowest-income working families.

- **Paying down debt.** The budget

agreement pays off school deferrals (\$1 billion); debts owed to local governments since 2004 (\$765 million); retires \$15 billion in Economic Recovery Bonds used to cover budget deficits dating to 2002; and \$3.8 billion owed to K–14 schools.

- **Rainy day fund.** The budget agreement puts \$1.9 billion in the rainy day fund as required by Proposition 2, bringing the balance to \$3.5 billion.

The agreement includes a \$1.1 billion operating reserve.

- **New spending** in the agreement includes \$97 million more than proposed in January to enable the California State University to expand enrollment and focus on increased success.

### Special Sessions

- **Transportation infrastructure:** The Governor's proclamation notes that current fuel excise tax revenues fund only \$2.3 billion in annual highway repairs, leaving \$5.7 billion in unfunded repairs each year.

The special session will “consider and act upon legislation necessary to enact pay-as-you-go, permanent and sustainable funding” to maintain and repair the state's transportation and “other critical infrastructure,” improve key trade corridors and complement local efforts to repair and improve local transportation infrastructure, the proclamation states.

The proclamation also calls for consideration of legislation to set performance objectives measured by percentage of pavement, bridges and culverts in good condition; and incorporate project development efficiencies to expedite project delivery or reduce costs.

An article on Transportation Infrastructure Funding appears in the [CalChamber 2015 Business Issues and Legislative Guide](#).

- **Health care financing:** A tax on Medi-Cal managed care organizations that has helped offset state General Fund costs associated with the 4 million additional Californians receiving Medi-Cal coverage due to the Affordable Care Act does not meet federal requirements. The special session will examine alternative funding proposals to replace \$1.1 billion a year in revenue this tax was expected to generate, plus additional funding to restore cuts to the In-Home Supportive Services program made in 2013, and to fund rate increases for providers of Medi-Cal and developmental disability services, according to the Governor's proclamation. One proposal already under consideration would expand the existing managed care organization tax and impose a \$658 million tax on commercial health care premiums.

## Live Webinar on Avoiding Discrimination/Harassment in Workplace



Retaliation, disability and sex discrimination/harassment comprised more than half of the 65,388 employment complaints filed in California in 2014, according to the California Department of Fair Employment and Housing.

Although most workplace discrimination and harassment lawsuits end in settlements, these settled cases cost significant money to resolve and open the door for similar claims by employees.

“A common mistake employers make after resolving a complaint is to not immediately assess if corrective measures are needed to prevent the situation from happening again,” notes Jessica Hawthorne, CalChamber senior employment law counsel.

But why wait until you're the target of a lawsuit? California employers can enact policies and practices that reduce inappropriate workplace behavior and protect their business from liability.

On July 16, CalChamber's [live webinar](#) lays out the framework. Employment

law experts [Erika Frank](#) and [Jessica Hawthorne](#) will review California's “protected classes” and present steps for creating a liability-free workplace that's free of discrimination and harassment.

**Webinar:** Avoiding Discrimination and Harassment in the Workplace

**Date:** Thursday, July 16

**Time:** 10 a.m.–11:30 a.m. **Cost:** \$199

Register online at [www.calchamberstore.com](#) or call (800) 331-8877. Preferred and Executive members receive a 20% discount.

The webinar is optimized for viewing on mobile devices, and is approved for both HRCI and MCLE credit hours.

For those who can't attend, the webinar purchase includes a recorded version that's available after the live event.

## Bill to Speed Road Repair/Maintenance, Reduce Costs, Passes Senate Committee



A California Chamber of Commerce-supported job creator bill that expedites and

reduces costs for roadway repair and maintenance projects passed the Senate Environmental Quality Committee on June 17.

**AB 323 (Olsen; R-Modesto)** streamlines infrastructure development by extending until January 1, 2020 the current California Environmental Quality Act (CEQA) exemption for certain roadway repair and maintenance projects.

### Requirements

This exemption is set to expire on January 1, 2016. Importantly, the exemption AB 323 proposes to extend applies only if certain requirements are met, including that the project must not cross a waterway, there must be negligible expansion of use, the site must not contain wetlands or riparian habitat, and there

must be no impact to cultural resources.

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

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.

CalChamber also emphasizes that 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, which will encourage the expeditious approval and implementation of minor but important roadway projects.

### Key Vote

AB 323 passed the Senate Environmental Quality Committee, 7-0:

**Ayes:** Bates (R-Laguna Niguel), Ted Gaines (R-El Dorado Hills), Hill (D-San Mateo), Jackson (D-Santa Barbara), Leno (D-San Francisco), Pavley (D-Agoura Hills), Wiecewski (D-Fremont).

### Job Creator Bills

Three CalChamber-supported job creator bills in addition to AB 323 are still moving following the recent deadline for bills to pass the house in which they were introduced. The CalChamber identified 12 job creator bills this year.

For more information on the 2015 job creators, visit [www.CalChamber.com/JobCreators](http://www.CalChamber.com/JobCreators).

**Staff Contact: Anthony Samson**

## Paid Sick Leave Author Proposing Changes to Law

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regular basis and the employee will have 24 hours of accrued sick leave available by the 120th calendar day of employment.

- Delay until January 21, 2016 for the broadcasting and motion picture industries the requirement to provide written notice of the amount of paid sick leave available or paid time off leave an employer provides in lieu of sick leave on either the employee's itemized wage statement or a separate writing provided on the pay date with the employee's payment of wages.

- Permit an employer who provides unlimited sick leave to its employees to satisfy notice requirements by indicating "unlimited" on the employee's itemized wage statement.

- Allow the employer to calculate paid sick leave either in the same way as the regular rate of pay for the workweek in which the employee uses paid sick leave whether or not the employee actually works overtime that workweek; or by

dividing the employee's total wages, not including overtime premium pay, by the total hours worked in the full pay periods of the previous 90 days of employment.

- Provide that an employer is not required to reinstate accrued paid time off to an employee rehired within one year of separation from employment that was paid out at the time of termination, resignation or separation.

- Provide that the employer has no obligation to inquire into or record the purposes for which an employee uses sick leave or paid time off.

### Grandfather Clause

The bill includes a grandfather clause for employers that provided paid sick leave or paid time off before January 1, 2015 that used an accrual method different than providing one hour per 30 hours worked, provided that the accrual is on a regular basis so an employee (including one hired after January 1, 2015), has no less than one day or 8 hours of accrued

sick leave or paid time off within three months of employment each calendar year, or each 12-month period, and the employee was eligible to earn at least three days or 24 hours of sick leave or paid time off within nine months of employment.

If an employer modifies the accrual method used in the policy it had in place before January 1, 2015, the employer shall comply with any accrual method outlined in the sick leave law or provide the full amount of leave at the beginning of each year of employment, calendar year, or 12-month period.

The requirement does not prohibit the employer from increasing the accrual amount or rate.

### No Position

The California Chamber of Commerce and other employer groups previously opposed AB 304 as an alleged "clean-up" to last year's paid sick leave

*See Paid Sick Leave: Page 7*

# CalChamber Urges State Senate to Support Reauthorization of Export-Import Bank



A California Chamber of Commerce-supported state resolution urging Congress to reauthorize the

Export-Import Bank of the United States (Ex-Im Bank) is awaiting a vote by the California Senate.

Reauthorizing the Ex-Im Bank, as urged by AJR 14 (Chu; D-San Jose), will enable U.S. companies—both large and small—to turn export opportunities into real sales that help maintain and create U.S. jobs and contribute to a stronger national economy.

The measure has received bipartisan support as it moves through the state legislative process.

The CalChamber 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.

## Ex-Im Bank

Ex-Im Bank is operating on a short-term extension of its charter, which expires on June 30, 2015, so it is imperative that Congress act quickly to reauthorize the charter.

The mission of Ex-Im Bank is to support U. S. jobs through exports. The Ex-Im Bank, a small federal agency, serves as the official export credit agency of the United States, thereby helping U.S. companies sell their products overseas. It

assists small and large U.S. companies in financing the export of U.S. goods and services to international markets.

Ex-Im Bank does not compete with private sector lenders, but provides export financing products that fill gaps in trade financing. It assumes credit and country risks that the private sector is unable or unwilling to accept. It also helps to level the playing field for U.S. exporters by matching the financing that other governments provide to their exporters.

With 80 years of experience, Ex-Im Bank has supported more than \$567 billion of U.S. exports, primarily to developing markets worldwide. Ex-Im Bank is vital to U.S. competitiveness; the bank's support often is required to secure commercial financing or even to qualify to bid on overseas projects.

Without the Ex-Im Bank, small businesses will lose out to their overseas competitors, many of which are backed by export credit agencies 18 times the size of the U.S. Ex-Im Bank.

## Benefits to California

California has especially benefited from the Ex-Im Bank facilitating exporting:

- Over the last seven years, the Ex-Im Bank has assisted more than 1,150 California companies.
- Exports from these companies totaled more than \$26 billion in sales.
- In 2013 alone, the Ex-Im Bank supported nearly 400 California exporters for a total of \$5 billion in sales.
- Since 2007 the bank has helped 815 small businesses, 139 minority owned, 106 women owned, 53 environmentally

beneficial and 14 renewable energy.

In addition to supporting jobs, the Ex-Im Bank is a self-sustaining agency that operates at no net cost to the taxpayers. Ex-Im Bank pays for itself by charging fees or interest to its customers for loans, credit insurance and loan guarantees that the customers receive.

- Small and medium-sized businesses account for 90% of Ex-Im Bank's transactions.

- In 2013, Ex-Im Bank supported more than 200,000 American jobs.

- In 2014, Ex-Im Bank provided financing or guarantees for \$27.5 billion in U.S. exports, thereby supporting more than 164,000 American jobs.

- Over the last two decades, Ex-Im Bank has generated a surplus of nearly \$7 billion.

- Last year Ex-Im Bank sent \$674.7 million to the U.S. Treasury as surplus for American taxpayers.

- Since the 2008 fiscal year, Ex-Im Bank has generated \$1.6 billion in excess revenue for U.S. taxpayers.

- Last year, borrowers defaulted on less than one-quarter of 1% of all loans backed by Ex-Im Bank.

- Nearly \$14 billion—more than 68%—of Ex-Im Bank reauthorizations supported U.S. exports to emerging markets, where commercial banks often are more reluctant to lend.

For California statistics from Ex-Im Bank: [http://customermap.exim.gov/state\\_map.cfm?state=CA](http://customermap.exim.gov/state_map.cfm?state=CA)

Staff Contacts: [Marti Fisher](#), [Susanne T. Stirling](#)

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## CalChamber Continues Push for Trade Promotion Authority, Cites Benefits

*From Page 1*

Canada, Mexico, the European Union and Chile are among the economies that are actively pursuing trade agreements to take advantage of the enhanced opportunities that result.

The U.S. Chamber of Commerce points out: "Many countries slap tariffs on U.S. exports that are 10 or 20 times as high as our own, and a web of nontariff barriers overseas often shut out U.S. goods and services."

### California Benefits

Trade with the 20 nations currently covered by free trade agreements (FTA) with the United States accounted for 40% of California's exports in 2014, according to the latest report of the CalChamber Economic Advisory Council.

Since 2005, the council reports, exports to these markets has grown by 50%, with the largest dollar increases in the North American Free Trade Agreement (NAFTA) countries, Korea, Chile, Dominican Republic-Central America FTA countries, and Australia.

Mexico and Canada, which signed the NAFTA with the United States, rank as California's largest and second largest export markets, respectively.

### Background

The California business community appreciates votes by members of the state congressional delegation in support of TPA.

California congressional delegation members who voted in support of TPA on June 12 held firm in their support on June

18. Among the "aye" votes were the following California representatives: **Bera (D-Elk Grove), Calvert (R-Corona), Costa (D-Fresno), Davis (D-San Diego), Denham (R-Atwater), Farr (D-Carmel), Issa (R-Vista), Knight (R-Palmdale), LaMalfa (R-Richvale), McCarthy (R-Bakersfield), McClintock (R-Roseville), Nunes (R-Tulare), Peters (D-La Jolla), Royce (R-Fullerton), Valadao (R-Hanford), Walters (R-Irvine).**

On June 12, the U.S. House of Representatives had narrowly approved, 219-211, the portion of the Congressional Trade Priorities and Accountability Act of 2015 that would renew TPA. A linked provision renewing Trade Adjustment Assistance (TAA), which was part of the U.S. Senate bill, failed to pass the House, preventing the entire package from being sent to the President to sign.

The Senate bill, TPA-15, garnered strong bipartisan support when it first passed the Senate on May 22, 62-37.

Among those voting "aye" were 14 Democrats, including California U.S. Senator Dianne Feinstein, and most Republicans.

During the recent U.S. Conference of Mayors, **14 California mayors**, led by Sacramento Mayor Kevin Johnson, sent a letter to leaders in the U.S. House of Representatives, urging passage of TPA-2015.

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

### Public Support

A majority of Americans support trade; 80% believe that the President and Congress should work together to put new trade agreements in place, according to the National Association of Manufacturers.

The Business Roundtable reports that 76% of Americans favor congressional action to update and pass TPA legislation.

For more information, see [www.calchamber.com/tpa](http://www.calchamber.com/tpa).

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## Split Roll Bill Will Hurt Small Business

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### Budget Surplus

California currently has a budget surplus of more than \$2 billion. This surplus is in addition to the \$4.2 billion budget reserve.

"We believe the protections afforded under Proposition 13 to property owners should be maintained," Barrera says in the video. "Now is not the time to increase taxes in California when the state budget has over a two billion dollar surplus."

With such a significant surplus, it is questionable as to why California needs to impose such a discriminatory and unfair targeted tax against commercial and industrial property owners that will create higher prices, rent, and job loss.

### Next Steps

SCA 5 has been assigned to the Senate Governance and Finance Committee; no hearing date has been set.

**Staff Contact: [Jennifer Barrera](mailto:Jennifer.Barrera@calchamber.com)**

## CalChamber-Sponsored Seminars/Trade Shows

*From Page 2*

Claremont. (909) 390-8429.  
Defense Trade Essentials. U.S. Commercial Service and California Inland Empire District Export Council. October 15, Claremont. (909) 390-8429.  
Discover Global Markets: Pacific Rim. U.S. Commercial Service. October 29-30, Orange County.

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law because it substantively expanded the burden of paid sick leave on employers who currently provide their employees a more beneficial, accrual-based paid sick leave or paid time off policy.

For example, the May 22 version of the bill would have eliminated more favorable employer policies that do not accrue time off according to hours worked, in essence forcing employers to accrue time off according to hours worked rather than some other method.

With the amendments made available this week (including CalChamber-suggested changes), the CalChamber has no position on AB 304.

### Next Steps

AB 304 is awaiting action by the Assembly. If approved, it still must go through the Senate before going to the Governor to be signed into law. As an urgency bill, AB 304 must pass both houses of the Legislature by a two-thirds vote.



## Just the Rx for Your July 1 Paid Sick Leave Compliance

California's paid sick leave benefit takes effect on July 1, 2015. Now's the time to communicate the specifics of your policy to employees, using CalChamber's **Employee Handbook Creator™** online tool:

- It contains **sick leave and PTO policy updates**, as well as sick leave-related changes to six other recommended and optional policies.
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