

VOLUME 42, NUMBER 12 · APRIL 22, 2016

California chamber of commerce

Independent Contractor Price Setting Bill Stopped



The author of a California Chamber of Commerce-**opposed** job killer bill that would increase prices for consumers and businesses who utilize the

services of independent contractors delayed a scheduled hearing this week so that discussions about the legislation's "complex legal issues" could continue "over the next year."

AB 1727 (Gonzalez; D-San Diego)

had passed the Assembly Labor and Employment Committee on April 20 and was set to be heard in the Assembly Judiciary Committee on April 21 before the author pulled the bill from the agenda. The CalChamber warned that the version which passed the Labor and Employment committee would have stifled innovation, created higher prices and costly litigation for consumers, jeopardized the use of independent contractors in almost every industry, and created uncertainty for years in California until the courts can resolve the legal debate of whether allowing independent contractors to set prices is lawful conduct.

In an opinion piece appearing the morning of the delayed hearing, Cal-Chamber President and CEO Allan Zaremberg warned that the bill would limit workers' freedom:

"For those struggling to make ends See Independent Contractor: Page 7

Job Killer Bills Clear Policy Committees



Senate and Assembly policy committees have sent several California Chamber of Commerce**opposed** job killer bills to the next step of the legislative process.

If passed, the proposals will increase meritless litigation and labor costs, reduce the availability of affordable housing and interfere with employment arbitration.

Meritless Litigation

Now awaiting action by the entire Senate is **SB 899 (Hueso; D-San Diego)**, a job killer that will lead to increased meritless litigation costs.

If approved, SB 899 will drive up consumer costs and increase frivolous litigation similar to the disability access lawsuits in California, by prohibiting a retailer or grocery store from discriminating against a person on the basis of gender with the price of goods and subjecting them to a minimum \$4,000 of damages for each violation.

SB 899 passed the Senate Judiciary Committee on April 12, 5-1.

Maternity/Paternity Leave

To be considered next by the Senate Appropriations Committee is **SB 1166** (Jackson; D-Santa Barbara), which imposes a new maternity and paternity leave mandate.

The bill unduly burdens and increases costs of small employers, with as few as 10 employees, as well as large employers with 50 or more employees, by requiring 12 weeks of protected employee leave for maternity or paternity leave, and exposes all employers to the threat of costly litigation.

See Job Killer: Page 7

Job Creator Bills Move with Unanimous Support



Two California Chamber of Commerce**supported** job creator bills won unani-

mous approval from their respective policy committees this week.

AB 2664 (Irwin; D-Thousand Oaks), which will increase innovation and entrepreneurship in the state, passed the Assembly Jobs, Economic Development and the Economy Committee.

SB 1228 (Runner; R-Antelope Valley), providing small business regulatory relief, passed the Senate Business, Professions and Economic Development Committee after falling short of the votes needed for approval last week.

AB 2664: Innovation Centers

AB 2664 makes it easier to establish a business by providing three years of funding to allow the University of California (UC) and Berkeley National Laboratory to expand their capacity and increase access to their innovation and entrepreneurship centers, which provide incubator space, legal services, entrepreneur training and more for researchers and other individuals looking to develop innovative solutions.

These centers have a proven track record for helping to turn ideas into companies that provide jobs for Californians and help drive the state's economy. *See Job Creator Bills: Page 4*

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State-Run Retirement— Liability Concerns: Page 3



<u>Labor Law Corner</u> Timelines for Presenting Final Paycheck, Handling Unclaimed Wages



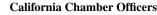
Jessica Hawthorne Helpline Manager

When is a final paycheck due, and what if the employee never picks up the final pay?

All wages and accrued vacation or paid time off (PTO) earned but unpaid are due and payable:

• Immediately when an employee is terminated;

• On the last day of work for an employee who quits with 72-hours notice or more; and



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Email: alert@calchamber.com. Home page: www.calchamber.com. • No later than 72 hours after notice is given for an employee who quits with less than 72-hours notice.

The 72 hours is clock hours—not business hours. You are not required to pay accrued but unused sick leave upon termination unless your sick leave is incorporated into a PTO policy.

Penalty for Missing Timeline

If you fail to meet these timelines, you will be responsible to pay an employee one day of pay for each day the final pay is late, up to a maximum of 30 days.

If your payroll company is out of state or unable to cut a check to meet these timelines, any form of payment is acceptable-you can run the payroll, determine how much is owed and pay the employee that amount by check, money order, or cash. Payroll can handle the deductions later. If the employer pays in that manner, the employee must still receive an itemized statement. It can be handwritten or typed on a piece of paper if need be. Otherwise, the employer is subject to cash pay penalties in Labor Code Section 226.3. Ensure you get a signed receipt from the employee if you must follow this process.

Correction

A sentence in the April 15 Labor Law Corner article, "Guns at Work: California Law Differs from Many States," should have stated: "If an employer chooses to have a policy banning weapons in the workplace, it is important to also have a policy with regard to searches of **employer** property. Such a policy might allow for searches of desks and other furniture, lockers and **employer** vehicles."

As pointed out in the subsequent

Unclaimed Wages

If you have an employee's final pay but the employee never picks it up, you may submit it to the local Division of Labor Standards Enforcement (DLSE) office as unclaimed wages.

Specifically, the DLSE provides: If you have non-negotiated checks on your books and the checks are made payable to employees who have left your employment and whom you cannot locate, you may send the Labor Commissioner the non-negotiated checks, along with an explanation of your efforts to contact the employee.

The Labor Commissioner will try to locate the employee and make payment of the wages. If these attempts are unsuccessful, the checks will be deposited into the State of California Unclaimed Wages Fund.

You also may use direct deposit if the employee has provided written authorization for you to do so for final pay.

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.

sentence, "Unfortunately, California's constitutional right to privacy may limit an employer's ability to search an employee's personal property in the workplace—such as purses, backpacks and briefcases—without employee consent. The same privacy restrictions apply to an employee's personal vehicle, even when on employer property."

Our apologies for the error and any issues it may have caused.

CalChamber-Sponsored Seminars/Trade Shows

More at www.calchambercom/events. Labor Law

HR Boot Camp. CalChamber. May 10, Sacramento; June 7, Santa Clara; September 7, San Diego; September 22, Sacramento. (800) 331-8877.
Leaves of Absence. CalChamber. June 23, Huntington Beach; August 16,

Milken Institute. May 1, Beverly Hills. Exporting Best Practices Workshop. California Centers for International Trade Development. May 3, Clovis. See CalChamber-Sponsored: Page 6

Sacramento, (800) 331-8877.

Milken Institute Global Conference.

International Trade



Employer Liability Concerns Unanswered as Retirement Savings Bill Advances



Legislation mandating a state-run retirement savings program for private sector employees continues to move in the Senate despite strong concerns

expressed by the California Chamber of Commerce and a coalition of local chambers of commerce and other employer groups.

SB 1234 (de León; D-Los Angeles) potentially creates liabilities, costs and administrative burdens for employers by creating a mandated state-run retirement savings program for private sector employees without sufficiently addressing liability, costs and whether the program is subject to the federal Employee Retirement Income Security Act of 1974 (ERISA).

Retirement Crisis

The CalChamber and coalition recognize the importance of encouraging people to save for retirement in light of the retirement crisis facing California and the nation.

Large portions of the population face the prospect of outliving retirement assets due to low personal savings rates, lack of retirement planning, poor debt and credit management, and a general absence of financial literacy outreach regarding these critical life choices.

Employer Concerns

Significant challenges and concerns remain outstanding, however, with the Secure Choice program as proposed in SB 1234. The CalChamber and coalition have urged the author to include in the legislation solutions to these critical issues, and not leave them to be worked out by the Secure Choice Board. The most significant concerns are as follows:

• The issue of the applicability of ERISA remains unresolved. If ERISA applies to the program, employers could be subject to significant liability, and the entire program could be at risk. • Rules and procedures as well as the employer responsibilities remain vague, which creates open-ended liabilities and administrative burdens which can lead to increased costs. The program is much more complex than it appears.

The legislation must specify that employers have no liability and are immune from liability associated with all aspects of the mandate and their participation in the program.



CalChamber Policy Advocate Marti Fisher explains to the Senate Public Employment and Retirement Committee how the operational model for the new state-run retirement savings program needs to be fleshed out before being implemented. See hearing video at advocacy. calchamber.com/sb1234-hearing/.

• Employers' ministerial duties must be enumerated in order to create a bright line for employers to be safely outside the bounds of ERISA.

• Employer outreach and education are integral to the success of the program. This component is not adequately addressed in the legislation, as well as any costs associated and how it will be paid for.

• The enforcement mechanism requires clarity as well as costing out. The question of who will pay for enforcement is critical.

• The determination of whether the investments will be made as ROTH IRA or traditional IRA must be made. Guidelines must be in place for how enrollees will get information regarding which is the appropriate investment for them, and the implications of getting it wrong. It must be determined how this critical information will be provided to employees since employers may not provide guidance to employees without risk of ERISA pre-emption.

• The employer community has a higher level of comfort with an operational model that includes a third party as the interface between employer and employee, thus limiting the interaction between employer and employee—rather than a model whereby employers must handle all employee inquiries and transactions. Without this interface, employers will be subject to a higher level of administrative burdens and employee interactions that could expose the employer to ERISA and other liabilities.

• Regulations promulgated by the board deserve adequate time for deliberation and collaboration. The emergency rulemaking procedure may shorten the process so that meaningful participation by stakeholders would be limited. The rulemaking procedures should follow normal Administrative Procedures Act rules. If an emergency is present for a rulemaking, then it would meet the criteria for emergency rulemaking.

The CalChamber and coalition have urged the Legislature to move carefully, thoughtfully and deliberately so that neither employers nor employees are at risk, and that the program is beneficial to those who participate.

Key Vote

SB 1234 passed the Senate Public Employment and Retirement Committee on April 11, 3-2.

Ayes: Pan (D-Sacramento), Beall (D-San Jose), Hall (D-Los Angeles).

Noes: Morrell (R-Rancho

Cucamonga), Moorlach (R-Costa Mesa).

Action Needed

SB 1234 is scheduled to be considered by the Senate Appropriations Committee on April 25.

Contact your senator and members of the committee to voice your concerns about the retirement savings program.

An easy-to-edit sample letter is available at *www.calchambervotes.com*. Staff Contact: Marti Fisher



Appeals Court Reverses Landmark Decision on State Teacher Tenure, Dismissal Laws



The California Second District Court of Appeals has overturned a landmark lower court ruling that had challenged teacher tenure and dismissal laws. On April 14,

the three-judge

Court of Appeal reversed the trial court in *Vergara v. California*, upholding the state's existing education laws. It found that there was not enough evidence to show that minority students were more often subjected to ineffective teachers than other students.

"Critically, plaintiffs failed to show that the statutes themselves make any certain group of students more likely to be taught by ineffective teachers than any other group of students," Presiding Justice Roger Boren wrote.

In the decision, the judges acknowledged that problems exist in the school systems' employment practices, but it did not find them unconstitutional.

"In sum, the evidence presented at trial highlighted likely drawbacks to the current tenure, dismissal, and layoff statutes, but it did not demonstrate a facial constitutional violation. The evidence also revealed deplorable staffing decisions being made by some local administrators that have a deleterious impact on poor and minority students in California's public schools. The evidence did not show that the challenged statutes inevitably cause this impact," Boren wrote.

Appeal in Works

Students Matter, the national nonprofit organization that brought the lawsuit on behalf of public school students, announced in a press release following the decision that the nine student plaintiffs in the case intend to appeal the ruling to the California Supreme Court.

"We came to the court to defend the rights of California's public school students and will continue to do so, despite today's temporary setback," Theodore J. Boutrous Jr., lead counsel for the plaintiffs, said in the press release.

Vergara v. California

In 2014, Los Angeles County Superior Court Judge Rolf Treu held that California had deprived Beatriz Vergara and other students of their right to a decent education through the tenure and dismissal statutes.

In particular, Judge Treu found that seniority-based layoffs, onerous firing processes, and a two-year evaluation period before entry-level teachers could be hired on permanent status led to ineffective tenured teachers to be highly concentrated in schools that served lowincome and minority students.

After this lower court victory, the

plaintiffs in the case filed their brief in the Second Court of Appeal in June 2015. The brief argued that the Superior Court's ruling in *Vergara* should be affirmed on appeal in order to protect every child's right to equal educational opportunities a fundamental right enshrined in California's Constitution.

CalChamber Amicus Brief

On September 14, 2015, the California Chamber of Commerce, among other organizations, filed a friend-of-the-court brief, arguing that the laws struck down by the trial court decision in *Vergara* contribute to the state's shortfall in highly skilled workers, and that California's public schools currently leave far too many students unprepared to participate in the 21st century workforce.

"California cannot afford to allow the inequitable distribution of teachers to impede the educational advancement of low-income and minority students, upon whose educational success our state's future economic prosperity depends," states the CalChamber amicus brief. "Indeed, if the achievement gap between students of different ethnic, racial, and income backgrounds could be closed, it would enrich the American economy—of which California is the largest part—by hundreds of billions of dollars."

For more information on the *Vergara* case, visit *www.StudentsMatter.org*. **Staff Contact: Heather Wallace**

Job Creator Bills Move with Unanimous Support

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AB 2664 would provide an additional \$22 million each year for the next three years to help the UC and Berkeley National Lab to keep up with the growing need for workspace and training for start-ups, and help attract private sector investors.

In exchange, the state will benefit from increased economic activity and job growth, as well as from the innovative solutions new companies are able to bring to market due to the help they receive from the UC and Berkeley National Laboratory.

SB 1228: Small Business Relief

SB 1228 provides small businesses with the opportunity to comply with regulations without facing devastating administrative enforcement actions and penalties, by requiring state agencies to assist small business with newly adopted regulations, create policies to reduce or eliminate penalties against small businesses who have tried to comply in good faith.

California's complex regulatory scheme is challenging for all employers,

but especially small businesses. In recognizing this challenge, California has provided the Governor's Office of Business and Economic Development as an information resource for small employers.

SB 1228 further assists small businesses in navigating the regulations in California so that they can comply and grow their business, without facing costly enforcement actions for inadvertent mistakes. Staff Contacts: Marti Fisher, Jennifer Barrera



CalChamber-Backed Mining Reform Laws Protect In-State Supply of Critical Materials



California Chamber of Commerce-**supported** legislation modernizing the operation of surface mines in the state and ensuring the

market for construction materials remains viable and cost effective has been signed by the Governor.

The bills, **AB 1142 (Gray; D-Merced)** and **SB 209 (Pavley; D-Agoura Hills**), are the most comprehensive reform to the state's surface mining law in decades and the product of two years of discussions between stakeholders and the administration.

The bills were a response to Governor Edmund G. Brown Jr.'s calls in 2013 to reform the Surface Mining and Reclamation Act (SMARA) from "top to bottom."

AB 1142 strengthens SMARA to promote better communication between government agencies and operators, ensure that mines are inspected by qualified professionals, and clarify due dates for various compliance requirements.

SB 209 strengthens SMARA by, among other things, permitting the use of corporate financial tests combined with surety bonds, irrevocable letters of credit or trust funds to serve as a financial assurance mechanism, so long as certain conditions are met.

Clarifies Responsibilities

AB 1142 provides much-needed clarification of the duties and responsibilities of both mining operators and lead agencies under SMARA. The bill appropriately ensures that the primary permitting, administrative and enforcement responsibilities continue to rest with local lead agencies.

It modernizes SMARA, however, by creating a clearer and more efficient regulatory process at the local level while also ensuring that the state can administer its SMARA responsibilities more effectively.

Construction Aggregates

AB 1142 enhances the SMARA regulatory framework while also ensuring that the market for "construction aggregates" (including sand, gravel, and crushed stone) and industrial minerals remains viable and cost effective.

These materials, by themselves and when used to make concrete and asphalt, are critical construction products. Construction aggregates are used to build public infrastructure such as roads,



bridges, railways and sidewalks, as well as homes, schools, hospitals, shopping centers, dams, canals, and water systems and treatment facilities.

Industrial minerals mined in California are utilized by California's manufacturing sector to create wine bottles, windows, wall board, roofing shingles, paint, paper, agricultural feed supplements, cleaning supplies, low-energy light bulbs, soil amendments, filter materials utilized by beverage industries, and electronics components.

California even has one of two developed sources worldwide for rare earth elements used for advanced hybrid batteries and alternative power technologies.

Growing Demand

Since SMARA was enacted in 1975, demand for construction aggregates has

increased, the California Geological Survey noted in a 2012 study entitled "Aggregate Sustainability in California."

The building and paving industries consume large quantities of aggregate, and demand for the commodity is expected to increase throughout California as the state's population continues to grow and infrastructure is maintained, improved and expanded, according to the study.

"Aggregate materials are essential to modern society, both to maintain the existing infrastructure and to provide for new construction," the study stated.

"Therefore, aggregate materials are a resource of great importance to the economy of any area."

CalChamber Position

The CalChamber agrees with SMARA's overall purpose and is mindful that SMARA, like any comprehensive land use law, requires periodic updating.

Given the projected increase in demand for construction aggregate, the CalChamber worked throughout the discussions to ensure that the refinements to SMARA did not hinder the industry's ability to produce construction aggregates and other industrial minerals.

Keeping the market for construction aggregates cost effective helps the state and consumers by making road and public infrastructure maintenance more affordable for local agencies and the California Department of Transportation. Cost efficiencies also help in the development of major public works such as water projects, and protect the thousands of workers employed by the construction aggregate industry statewide.

More Information

For more information, see the *Cal-Chamber Business Issues and Legislative Guide* summary article on "Mineral Resources Extraction" at *www.calchamber.com/businessissues.* Staff Contact: Anthony Samson



Media Panelists to Offer Insiders View at CalChamber Capitol Summit

Two journalists leading media coverage of State Capitol activities will be on the media panel at the California Chamber of Commerce Capitol Summit, set for May 17–18 in Sacramento.

Presenting the insiders' view on California policies and politics will be John Myers, Sacramento bureau chief for the *Los Angeles Times*, and Juliet Williams, correspondent for the Associated Press.

Moderating the discussion will be CalChamber President and CEO Allan Zaremberg, who also will give an update on the initiatives voters may see on the ballot this year.

The special guest speaker at the

Summit will be national pollster and strategic consultant Dave Sackett, founding partner of The Tarrance Group. He has an extensive background in campaign strategy, political media and message development, and demographic targeting.

Following lunch, former Assembly Republican Leader Mike Villines, Villines Group LLC, will moderate as CalChamber policy advocates provide updates on the status of major policy issues.

Host Reception/Breakfast

Following the Capitol Summit, attendees are invited to the Sacramento Host Reception, an event co-sponsored by the



CalChamber-Sponsored Seminars/Trade Shows

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- (559) 324-6401. World Trade Kickoff Breakfast. Los
- Angeles Area Chamber of Commerce. May 3, Los Angeles. (213) 580-7569.
- ExporTech: Developing Strategies for International Markets. Solano Economic Development Corporation. May 4, Fairfield. (925) 807-5112.
- Protect Your Business from Disaster. Governor's Office of Business and Economic Development (GO-Biz). May 4, Webinar. (916) 322-0694.
- Grow California Business Summit. GO-Biz. May 5, Long Beach. (916) 322-0694.
- Sacramento IRS Small Business Week Webinar. Internal Revenue Service. May 6, Webinar.
- Beyond the Numbers: Air and Sea Cargo Trends. The Port of Los Angeles. May 11, Los Angeles. (310) 732-7765.

- Connect Your Small Business to the Global Marketplace. GO-Biz. May 12, Webinar. (916) 322-0694.
- Sacramento Regional Global Trade Summit. Northern California-Sacramento Regional Center for International Trade Development. May 18, Sacramento. (916) 563-3219.
- World Trade Center International Business Luncheon. Northern California World Trade Center. May 18, Sacramento. (916) 321-9146.
- Overview of California's Small Business Loan Guarantee Program. GO-Biz. May 19, Webinar. (916) 322-0694.
- Select LA Investment Summit. World Trade Center Los Angeles. June 16, Los Angeles. (213) 622-4300.
- SelectUSA Investment Summit 2016. SelectUSA. June 19–21, Washington, D.C. (202) 482-6800.
- G-20Y Summit. G-20Y Association.

CalChamber and the Sacramento Host Committee to provide networking opportunities for business leaders from all industries in California to discuss key issues facing the state.

The reception is a prelude to the Sacramento Host Breakfast the following morning, May 18. The Host Breakfast provides a venue at which California's top industry and government leaders can meet, socialize and discuss the contemporary issues facing businesses, the economy and government.

Traditionally, the Governor of California and the chair of the CalChamber Board of Directors speak on issues facing employers in California. Leaders from business, agriculture, the administration, education, the military and legislators from throughout the state are invited to join the discussion.

Register by May 6

May 6 is the deadline to register for the Capitol Summit, Sacramento Host Reception and Breakfast. The cost is \$60. Space is limited.

For more information or to register, visit www.calchamber.com/2016summit-host.

Staff Contact: Danielle Fournier

September 21-25, St. Moritz, Switzerland.

2016 Public Forum on "Inclusive Trade." World Trade Organization. September 27–29, Geneva, Switzerland.

CalChamber Calendar

Capitol Summit/Host Breakfast: May 17–18, Sacramento International Forum: May 17, Sacramento Environmental Regulation Committee: May 17, Sacramento Water Committee: May 17, Sacramento Fundraising Committee: May 17, Sacramento Board of Directors: May 18, Sacramento



Independent Contractor Price Setting Bill Stopped

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meet, the often more flexible hours afforded by independent contracting arrangements can allow them to work on their own schedule. It will also create a barrier to entry for new workers. Independent contracting opportunities allow workers to begin earning an income quickly, either as a long-term engagement or a temporary measure while they pursue other opportunities."

Zaremberg underscored that the bill would cost jobs and hurt the economy: "Policy makers need to stop this job killing legislation. As opportunities in the new economy expand, we should find common ground to support what works for California's consumers, its workers and our employers."

The commentary pointed out that AB 1727 would make it harder for many of California's thriving industries to work with independent contractors:

"AB 1727 would allow any group with as few as 10 independent contractors to act in concert to set the prices and terms of their engagement. This would put a chokehold on small businesses who will be forced to navigate potentially dozens—or even hundreds—of separate bargaining units. Not only would the end result make life difficult for our job creators, but it would make the cost of goods and services rise dramatically for consumers.

"The bottom line is that any service used to connect an independent contractor to someone who wants to hire them including dispatch services, web sites, apps or any type of mediator—would be required to negotiate with these multiple individual bargaining units. Companies and consumers who rely on new, creative and cost-efficient services provided by independent contractors working in industries such as trucking, delivery, driving, child care, senior care, plumbing, and accounting, just to name a few, would be seriously impacted by this proposal.

"On top of all the other regulatory hurdles employers face in California, this proposal threatens the livelihoods of workers who want and need flexibility. It would disproportionally impact those areas of the state that are still struggling economically. Consumers would suffer with a smaller pool of contractors who would drive up prices so high that their services would simply become unaffordable."

Video

CalChamber Policy Advocate Jennifer Barrera explained the negative aspects of AB 1727 in the CalChamber Capitol Report video distributed this week:

"The bill allows independent contractors to collectively bargain on terms of their contract, such as prices, when they will accept an assignment and when they will terminate an assignment. AB 1727 also includes the threat of litigation against consumers and businesses, with the threat of triple damages."

Key Vote

The April 20 vote on AB 1727 in Assembly Labor and Employment was 5-2:

Ayes: R. Hernández (D-West Covina), Chu (D-San Jose), McCarty (D-Sacramento), O'Donnell (D-Long Beach), Thurmond (D-Richmond).

Noes: Patterson (R-Fresno), Linder (R-Corona).

Staff Contact: Jennifer Barrera

Job Killer Bills Clear Legislative Policy Committees

From Page 1

SB 1166 passed the Senate Judiciary Committee on April 19, 4-2.

Housing Affordability/Availability

Also due to be considered next by Senate Appropriations is **SB 1318 (Wolk; D-Davis**), which erodes housing affordability. The bill inappropriately leverages necessary affordable housing in order to solve infrastructure issues with the consequence that the housing won't be built by imposing requirements on water or waste water districts to serve certain communities first. SB 1318 passed the Senate Environmental Quality Committee on April 20, 5-2.

SB 1150 (Leno; D- San Francisco), eroding housing availability, passed the Senate Banking and Financial Institutions Committee on April 20, 4-3, and will be considered next by Senate Judiciary. The bill increases liability risk and the cost of residential loans by allowing a party not on the mortgage loan to interfere with appropriate foreclosures and creates a private right of action for violations of overly complex and burdensome requirements.

Employment Arbitration

AB 2879 (M. Stone; D-Scotts Valley), dealing with employment arbitration agreements discrimination, will be considered next by the Assembly Labor and Employment Committee.

The bill unfairly discriminates against arbitration agreements and is likely preempted by the Federal Arbitration Act, which will lead to confusion and litigation, by prohibiting an employer from requiring an individual who is a member of the military to sign a mandatory arbitration agreement as a condition of employment.

AB 2879 passed the Assembly Judiciary Committee on April 19, 7-3.

Updated Sample Letters

As new hearings are scheduled on the job killer bills, updated sample letters will be available on the CalChamber grassroots website at *www. calchamberyotes.com*.

More Information

For more information on these and other job killer bills, visit *cajobkillers. com*.

Staff Contacts: Jennifer Barrera, Valerie Nera

Tools to stay in touch with your legislators. calchambervotes.com



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Employers with 50 or more employees are legally obligated to provide harassment

prevention training to all supervisors in California within six months of hire or promotion and every two years thereafter. Effective April 1, 2016, revised state regulations added new requirements to this mandatory training. CalChamber's

recognize harassment and respond appropriately as required by law.

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