



San Mateo County Chamber of Commerce Alliance

March 2014 Legislative Report

Prepared by:
HCF, Jeremy Harris
jeremy@harrisfirm.biz
714-264-9289

Legislative Report

- **AB 1155 (Alejo – D) Workers’ Compensation: Apportionment: Death Benefits**
- **AB 2095 (Wagner – R) Employee Compensation and Itemized Statements**
- **SB 445 (Hill –D) Underground Storage Tanks: Petroleum: Charges**
- **SB 1351 (Hill – D) Credit and Debit Cards**

CalChamber Legislative Briefing & Sacramento Host Breakfast – INFORMATION

Summary

1. AB 1522 provides that an employee who works for 7 or more days in a calendar year is entitled to paid sick days to be accrued at a rate of no less than one hour for every 30 hours worked would be entitled to use accrued sick days beginning on the 90th calendar day of employment.

Background

2. AB 1522 would also require employers to provide paid sick days, upon the request of the employee, for diagnosis, care, or treatment of health conditions of the employee or an employee's family member.
3. Furthermore, AB 1522 would require the Labor Commissioner to administer and enforce these requirements, including the promulgation of regulations, investigation, mitigation, and relief of violations of these requirements.
4. The legislative proposal also authorizes the Labor Commissioner to impose specified administrative fines for violations and would authorize an aggrieved person, the commissioner, the Attorney General, or an entity a member of which is aggrieved to bring an action to recover specified civil penalties against an offender, as well as attorney's fees, costs, and interest.
5. AB 1522 would specify that it does not apply to employees covered by a collective bargaining agreement that provides for paid sick days, nor does it lessen any other obligations of the employer to employees.
6. AB 1522 would further specify that it does not apply to employees in the construction industry covered by a collective bargaining agreement if the agreement expressly waives the requirements of this article in clear and unambiguous terms.
7. However, the legislative proposal would specify that it applies to certain public authorities, established to deliver in-home supportive services, except where a collective bargaining agreement provides for an incremental wage increase sufficient to satisfy AB 1522 requirements for accrual of sick days.
8. Similar proposals have introduced in the past – most recently in 2011 under former Assembly Member Fiona Ma – and have failed to advance.
9. AB 1522 is currently in Assembly Labor and Employment Committee on 3/19/2014.

Arguments in Support

10. According to the author, “Both workers and their employers lose out when employees have to choose between reporting for work while sick or losing pay because they don’t.”
11. “Every time this choice comes up for a sick employee, everyone loses money – whether it’s through unnecessary emergency room costs, the billions of dollars lost in productivity annually when sick employees try to work while under the weather, or lost wages that impact whether working families can put food on the table.”
12. Under AB 1522, workers in California would accrue one hour of paid sick leave for every 30 hours worked and employers would have the option of capping an employee’s paid sick leave at 24 hours, or 3 days. Other states and cities – including Connecticut; New York City; Portland, Ore.; Washington, D.C.; and San Francisco – have already adopted paid sick day laws.

Arguments in Opposition

13. According to the California Chamber of Commerce: The Employment Policies Institute recently published a limited study on the affects of Connecticut's Paid Sick Leave law that went into place in 2012 and only applies to larger employers and non-exempt service workers. Although the survey was admittedly limited in the number of businesses evaluated, the results indicate the new law has had a negative impact on growth and jobs.
14. Similar results were reported in the February 2011 Institute for Women's Policy Research on the effect of the paid sick leave program in San Francisco. Specifically, out of the employees surveyed, 15.2% of the employees surveyed were laid off or had their hours reduced after the program was implemented; 14.1% of the employees surveyed received fewer bonuses or had their benefits reduced; and 21.7% of the employees had increased work demands.

Supporting

None on file at this time.

Opposing

California Chamber of Commerce

AB 2095 (Wagner – R) Employee Compensation and Itemized Statements

Summary

1. AB 2095 would prohibit an employee from receiving an award of costs and reasonable attorney's fees if the employer is the prevailing party and the court determines that the action was brought in bad faith, in which case the AB 2095 would require the employer to be awarded attorney's fees and costs.

Background

2. Current law requires every employer, semimonthly or at the time of each payment of wages, to furnish each employee with an accurate itemized statement in writing showing specified information.
3. Further, law requires an employer to afford current and former employees the right to inspect or copy records pertaining to their employment, as specified.
4. Lastly, current law authorizes an employee to bring an action for injunctive relief to ensure compliance with these requirements, and provides that this employee is entitled to an award of costs and reasonable attorney's fees.
5. The California Chamber of Commerce is a sponsor of the legislative proposal.
6. AB 2095 was introduced February 20, 2014 and is currently awaiting a hearing in the Assembly Committee on Labor and Employment and Judiciary.

Arguments in Support

7. None on file at this time.

Arguments in Opposition

8. None on file at this time.

Supporting

California Chamber of Commerce

Opposing

None on file at this time.

SB 445 (Hill –D) Underground Storage Tanks: Petroleum: Charges

Summary

1. SB 445 would require payment of an additional \$0.006 per gallon of petroleum until January 1, 2016.

Background

2. SB 445 would constitute a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of 2 /3 of the membership of each house of the Legislature.
3. SB 445 would amend the Barry Keene Underground Storage Tank Cleanup Trust Fund which requires every owner of such tank to pay a storage fee for each gallon of petroleum placed in the tank for deposit in a specified fund for payment of claims to aid owners and operators of petroleum underground storage tanks for various cleanup actions.
4. This also includes corrective actions and grants to small businesses to retrofit hazardous substance underground storage tanks.
5. Current law imposes a \$0.001 charge per gallon of petroleum placed in an underground storage tank until January 1, 2016, and repeals the act on that date.
6. The \$0.006 per gallon fee would be an increase in the storage fee.
7. SB 445 was amended February 21, 2013 and the original legislative proposal dealt with revenue bond financing of prison construction. This no longer applies.
8. SB 445 has is currently in the Assembly Rules Committee awaiting hearing date.

Arguments in Support

9. None on file at this time.

Arguments in Opposition

10. None on file at this time.

Supporting

None on file at this time.

Opposing

None on file at this time.

Summary

1. SB 1351 would require a bank, credit union, or financial institution to issue a credit or debit card with microchip technology and a retailer to utilize a credit or debit card scanner that accepts a credit or debit card with either a magnetic stripe or microchip technology or any other similar technology.

Background

2. Current law generally provides for the regulation of credit and debit cards, including, but not limited to, limitations on the methods for offering and denying a credit card, requirements for listing the name appearing on a credit card, and restrictions on a person's liability for an unauthorized use of his or her credit or debit card.
3. SB 1351 would be enacted on October 1, 2015 if passed.
4. Implementation is timed to occur the same month credit card companies plan to hold merchants financially responsible for any fraud resulting from a point-of-sale transaction involving a magnetic strip credit card.
5. Currently, banks that issue the cards are liable for such fraud.
6. According to Nilson Report, a payment industry newsletter, merchants and banks in the United States lost \$11.3 billion in 2012 due to credit card fraud.
7. SB 1351 was introduced February 21, 2014 and is awaiting a committee assignment and hearing in the Assembly.

Arguments in Support

8. According to the author's office, SB 1351 Retail fraud from counterfeit credit cards has more than doubled since 2007 in the United States, one of the last countries in the world that relies almost exclusively on magnetic strip identification technology for credit cards.
9. By comparison, chip-based credit cards – which carry the identification information as encrypted data in a microchip that can be read only by special scanners in stores – reduced counterfeit card fraud in Britain by 70 percent from 2007 to 2012, according to the U.K. Card Association.

Arguments in Opposition

10. Opponents may argue that one reason to oppose SB 1351 and why chip-based cards have not been adopted quicker in the United States is the financial industry and retailers have not been able to agree on card-swipe fees and neither side has wanted to commit to the necessary expenditures until the other party does.
11. A typical card issuer will spend about \$1.30 to buy a chip card, compared with 10 cents for a traditional magnetic strip card, according to Aite Group. But the cost would certainly be worth it.

Supporting

None at this time.

Opposing

None at this time.



May 20-21, 2014
2014 CalChamber Legislative Briefing & Host Breakfast

Tuesday, May 20, 2014 10:30 AM - Wednesday, May 21, 2014 9:00 AM (Pacific Time)

Sheraton Grand
1230 J Street
Sacramento, California 95814
United States

 [Map and Directions](#)

Because local chamber grassroots is more important than ever, the CalChamber has decided to cover the cost of your registration for the Sacramento Host Reception and Breakfast! The registration fee is only \$50 to attend all three events! Space is limited, register today to secure your attendance.

CalChamber Legislative Briefing (\$50 per person)

May 20, 10:30 a.m. – 1:00 p.m.

Location: Sheraton Grand Hotel, Sacramento

New district boundaries and the top-two primary system have changed California political dynamics. Gain insights on how the largest freshman Assembly class in recent history is handling the challenges of developing state policies and what this could mean for your community. Hear the latest on CalChamber "job killer" and job creator bills, ballot initiatives and hot legislative races. Featured speakers include CalChamber President/CEO Allan Zaremberg and longtime members of the Capitol Press Corps.

Lunch included.

Sacramento Host Reception (\$0 per person)

May 20, 5:30 – 7:00 p.m.

Location: Sutter Club, Sacramento

The Sacramento Host Reception is a networking opportunity for business leaders from all industries in California to discuss key issues facing our great state. This event is a wonderful precursor to the following morning's Host Breakfast.

Sacramento Host Breakfast (\$0 per person)

May 21, 7:30 – 9:00 a.m.

Location: Sacramento Convention Center, 3rd Floor Ballroom

The Sacramento 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.

This event helps to develop an atmosphere of good will and understanding around a common table. Your presence will provide an important voice to the dialogues that shape our state.

Traditionally, the Governor of California and the Chairman of the CalChamber Board of Directors speak on the current 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 of matters that concern you most.

The Sacramento Host Committee and CalChamber invite you to participate in this event.

REGISTRATION OPTIONS:

Option 1: Legislative Briefing/Reception/Host Breakfast: \$50

Option 2: Host Reception/Breakfast: \$0

Option 3: Host Breakfast Only: \$0

Registration Deadline: Friday, May 9, 2014

Registration Information: <https://www.regonline.com/builder/site/default.aspx?EventID=1507760>
