

# Cal Chamber of Commerce Annual "Job Killer" List

## TWENTY-THREE BILLS MOVING IN LEGISLATURE THAT WILL HARM CALIFORNIA'S ECONOMY AND DRIVE JOBS TO OTHER STATES

**AB 1032 (Jackson):** Increases costs to the state by chilling business interest in contracting with the state by requiring those businesses to report unrelated legal information, opening the doors to more frivolous litigation against California employers.

**AB 1839 (Montanez):** Similar to a ballot measure introduced in retaliation to the business-sponsored November ballot initiative that addresses frivolous litigation in California. Severely limits credit sources for the purchase of personal vehicles and bankrupts many car dealers by prohibiting car dealers from receiving any profit on certain types of sales.

**AB 1690 (Leno):** Gives local governments unprecedented authority to enact income tax assessed at local level with a simple majority of voters, adding complexity and uncertainty to California's already complex and uncertain tax structure.

**AB 1723 (Labor Committee):** Increases the cost of doing business in California by establishing a new affirmative duty on all California employers to ensure that each and every worker takes each and every meal and rest break permitted under law, and adds new private right of action to enforce provision.

**AB 2042 (Lowenthal):** Increases the costs of goods movement and drives business and jobs from California ports by requiring the City of Los Angeles and the City of Long Beach to prohibit any growth at their respective ports unless that growth can be accomplished with no air pollution increases.

**AB 2317 (Oropeza):** Negatively distinguishes California from the rest of the nation by exposing every business to excessive litigation and increases the cost of doing business by mandating excessive damage awards for gender pay equity violations.

**AB 2832 (Lieber):** Increases the cost of doing business by increasing the state minimum wage to \$7.25 in 2005 and to \$7.75 in 2006, which would give California the highest minimum wage in the nation. Employer costs would rise by at least \$2.08 billion annually, raising costs to consumers and driving employers to other states.

**AB 2889 (Laird):** Negatively distinguishes California from the rest of the nation by increasing insurance costs, exposing

employers to attorneys' fees, settlements and judgments, raising costs of products and making California employers less competitive by making employers liable for the harassment of a worker by a person over whom the employer has no control, such as customers or clients.

**SB 921 (Kuehl):** Creates a government-run health care system funded by new taxes on all Californians and California business.

**SB 1168 (Ortiz):** Drives California manufacturers, importers and distributors to other states by assessing a fee on their in-state operations to fund a biomonitoring program. Could lead to elimination of the use of chemicals detected, but not scientifically proven to be harmful and without taking economic consequences into consideration.

**SB 1334 (Kuehl):** Increases the cost of housing and other development projects by imposing California Environmental Quality Act (CEQA) requirements on oak woodland and timberland conversions.

**SB 1354 (Escutia):** Increases taxes on California employers by reducing the amount of tax credits that a corporation may use to reduce its tax liabilities, making California less competitive for jobs.

**SB 1397 (Escutia):** Increases the cost of goods movement and discourages job creation by imposing a fee on railroad companies that operate in the counties of Los Angeles, Riverside and San Bernardino.

**SB 1477 (Sher):** Delays development projects and imposes new costs on agriculture by inappropriately expanding the State Water Board's regulatory authority over wetlands.

**SB 1569 (Dunn):** Increases health care costs by allowing health care providers to sue a health plan for alleged violations of the Knox-Keene Act, even if the Department of Managed Health Care finds the plan has done nothing wrong.

**SB 1903 (Flores):** Raises the cost of doing business in California by forcing California employers to subsidize a strike against their own company by providing unemployment insurance benefits to workers unemployed due to a labor dispute.

**AB 1829 (Liu); AB 2715 (Reyes); AB 3021 (Labor Committee); SB 888 (Dunn); SB 1451 (Figueroa); SB 1453 (Figueroa); and SB 1492 (Dunn):** Prohibits or restricts California businesses' ability to conduct a portion of their operations abroad, which will invite retaliation from our trading partners that will have a negative impact, either directly or indirectly, on California jobs, 25% of which are tied to international trade.

Among many others, two "job killer" bills from the 2003 list have driven jobs out of California.

**SB 796 (Dunn; D-Garden Grove),** the "sue your boss" bill, opened the floodgates to frivolous lawsuits against California employers. In an initial review by the Chamber, lawsuits against just four California companies sued under SB 796 have opened these companies to liability of more than \$274 million. The Chamber believes the only relief for California employers from these lawsuits is full repeal of SB 796.

**SB 2 (Burton; D-San Francisco),** the \$7 billion dollar health care tax on employers and employees to fund a government-run health care system, was placed on the November ballot when more than 600,000 California voters signed referendum petitions. Even though this costly law is stayed until voters decide in November, this multibillion-dollar tax is still looming over California businesses and is providing a disincentive for employers considering moving to California or expanding their operations here. The Chamber is co-chairing the campaign to repeal SB 2 in November.

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**T**he California Chamber is the largest broad-based business advocate to government in California. Membership represents one-quarter of the private sector jobs in California and includes firms of all sizes and companies from every industry within the state. Leveraging our front-line knowledge of laws and regulations, we provide products and services to help businesses comply with both federal and state law. The California Chamber, a not-for-profit organization, promotes international trade and investment in order to stimulate California's economy and create jobs. Visit their website at: [www.calchamber.com](http://www.calchamber.com) [PE]