

California's AB-5 Independent Contractor Bill

A Model of Economic Disruption

In 2019, the California legislature passed A.B. 5, a bill that dramatically curtails the use of independent contractors in the state. A.B. 5 establishes a three-factor "ABC" test to determine whether someone is an employee, or an independent contractor. Predictably, the law has upended many successful business models and cost some workers their jobs.

"Tamara Ellison has used independent contractors in both her consulting and construction businesses. She's expecting to hire five of her consulting contractors as employees to bring her company into compliance with the law. But she's also thinking **she may have to limit the services she offers because not all her hires will have all the skills she needs for all her clients. She may also have to raise her prices**, a worrisome proposition.

"Little companies just trying to start out won't be able to afford our services," says Ellison, whose Ontario, California-based company bears her name. (*emphasis added*)

("Who is an Independent Contractor: Gig Economy Law Forces Small Business to Rethink Staffing," *USA Today*, 12/26/19)

"Marisa Vallbona has transitioned a contractor who has worked for her in California into an employee, **and is being more selective about the work she takes on in the state**. Vallbona, who recently moved the headquarters of her public relations firm, CIM, to Houston from California, is now using only Texas-based contractors.

"**I don't work with freelancers in California anymore** because of the gig economy problems," she says. (*emphasis added*)

("Who is an Independent Contractor: Gig Economy Law Forces Small Business to Rethink Staffing," *USA Today*, 12/26/19)

"Whether it was intended or not, this is what's happened,' independent contractor Caitlin Healy told 10News. **'I've lost my job, basically, overnight, and I don't have a clear path forward.'**" (*emphasis added*)

("Concerns Raised as California's Independent Contractor Law is Set to Take Effect," *10News.com*, 12/26/19)

“‘AB 5 does pick winners and losers,’ Dan Eaton, legal analyst and instructor at San Diego State University, told 10News. ‘A lot of these people who are independent contractors are saying wait, **we like the arrangement as it stands and what you’re doing is you’re interfering with our ability to make a living.**’”

“Eaton also said it will be interesting to see what happens as the courts weigh in. He also anticipates that the legislature will consider changes to the law.

“‘**Millions of Californians and thousands and thousands of small businesses will be affected,**’” Eaton said. (*emphasis added*)
 (“Concerns Raised as California’s Independent Contractor Law is Set to Take Effect,” *10News.com*, 12/26/19)

“Aimee Benavides built a thriving career as a translator and interpreter while homeschooling her nine-year-old daughter, who has autism, and 11-year-old son, who is heavily involved in STEM enrichment classes. What makes it all possible is the home-based business she started in 2010, after leaving a full-time job in the court system.

“‘**It’s disingenuous saying you’re trying to help workers and then restricting their ability to bring in income,**’” says Benavides.
(*emphasis added*)
 (“California’s AB5 Leaves Women Business Owners Reeling,” *Forbes*, 1/19/20)

“Rona Prestler, a web developer and project manager based in West Covina, a suburb in Southern California, also finds **self-employment has many benefits she doesn’t want to lose.** She has relied on freelancing to earn a full-time income from home since 2016.

“‘I had my schedule set,’” she says. “‘I would work before they woke up. I had a nanny come in the morning. I’d hang out with the kids during the afternoon and get back to work at night. I got in a good number of hours with minimal childcare. It was just perfect.’”

“That all changed since AB5 passed. **With the law about to take effect, one of her four clients let her go the week before Christmas.**

'He couldn't afford to keep me on as an employee,'" she says.
(*emphasis added*)

("California's AB5 Leaves Women Business Owners Reeling,"
Forbes, 1/19/20)

"Randy Dotinga, a freelance journalist has been vocal about California freelance journalists' struggles associated with the approval and implementation of AB 5.

"It's been really devastating," he said. **"We've had hundreds of freelance journalists who have found their work either cut out entirely or restricted."** (*emphasis added*)

("Lawsuits Contest New Independent Contractor Regulations," *Long Beach Business Journal*, 1/20/20)

"This misguided law is not only failing to work for writers and journalists, but **it has also resulted in the loss of hundreds of thousands of dollars of income** for approximately 56 percent of California Freelance Writers United's more than 1,400 independent contractors, small business owners and other members,' says Maressa Brown, founder and co-leader CAFWU. **'Despite fitting the business-to-business criteria, many of our members continue to lose and be denied contracts, as companies decide that hiring an independent contractor in California is too legally risky.'**" (*emphasis added*)

("Anti-Independent Contractor Law AB5 Is Not Working in California; Other States and Congress Must Avoid the Same Devastating Mistake," *Insider NJ*, 2/3/20)

"Since California adopted the new state employment law AB 5 in September, **freelance journalists in the state have been scrambling to understand how their livelihoods may be affected** after it takes effect Jan. 1. Now some are finding out.

New York-based **Vox Media said Monday it would end contracts with hundreds of freelance writers and editors in California** who covered sports for the blog network SB Nation as the company came into compliance with the law, which could have forced it to reclassify some of these contractors as employees." (*emphasis added*)

("Vox Media Cuts Hundreds of Freelance Journalists as AB 5 Changes Loom," *Los Angeles Times*, 12/17/19)

“Emma Gallegos, a freelance writer and editor in Bakersfield, said on Twitter that she studied for a copy editing test over the weekend only to find she didn’t qualify for a job at an unnamed company because she lived in California. ‘**Add this to the #AB5 pile of rejects. I want to scream,**’” she tweeted. (*emphasis added*)

(“Vox Media Cuts Hundreds of Freelance Journalists as AB 5 Changes Loom,” *Los Angeles Times*, 12/17/19)

“A new California law is shaking up the so-called gig economy, but some say **it’s causing more harm than good.**”

“The Sierra Madre Playhouse had to cancel its production of Charlotte’s Web.

“‘It’s not just small theaters. It’s all small arts organizations. This goes much further than that... **it’s a devastating change,**’” said Christian Lebano, artistic director for the theater. (*emphasis added*)

(“Sierra Madre Playhouse Struggles Under New Law that Restricts Independent Contractor Designation,” *ABC 7 Eyewitness News*, 2/3/20)

“‘Right now, (AB5) is only in California but that’s where the majority of the population we deliver to is,’ said Mark Magill, vice president of business development for OnTrac, a regional parcel carrier. ‘**Whatever law is we have to adhere to strictly. So, we’re converting to the FedEx Ground model where all drivers are employees of a master contractor.**’” (*emphasis added*)

(“OnTrac Updates to Master Contractor Model in Wake of AB5 in California,” *Multichannelmerchant.com*, 2/4/2020)

“‘There are a lot of people that supported AB5 who really thought that it was going to help Californians, that it was really going to provide benefits that people had been missing out on [said Ellie Bufkin, a freelance writer who serves as a senior contributor to *The Federalist* and is a former reporter for *The Washington Examiner*] ...There’s been so much pushback since the law went into effect at the beginning of the year, is that **it’s taking away the freedom to work for millions of Californians who depend on having a stay at home schedule, a flexible part time schedule.**’

“...Having to have just one job may seem great on paper in the legislature, but it isn’t what people want. People want that flexibility to not work for weeks at a time without having to tell their bosses. They don’t want the paid leave. They have health insurance through their families. This isn’t benefits that they’re looking for.’

“So you're talking about lots of people who enjoyed this flexibility without the benefits that are now being forced to turn away from that and it's definitely their perspective that **these lawmakers just don't understand that lifestyle and refuse to.**” (*emphasis added*)

(“How California is Hurting Independent Contractors”, Independent Women’s Forum, *SheThinksPodcast*, 2/7/20)

“If I’m told basically to be a shift worker, then that pretty much takes out the entire point of doing it,” McFee, a professional wrestler said. (*emphasis added*)

(“Not all Gig Workers Want Proposed Protections,” *City Newspaper*, 2/6/20)

“This law doesn’t just affect Uber drivers and truckers. ...**Stories come pouring in every day for professions you’d never guess: cancer registrars, hull cleaners, rig welders, Santa Clauses, meeting/event planners, virtual paralegals, pharmacists, Pilates instructors, music therapists for children,**” said Karen Anderson, a freelance writer, editor and photographer, and founder of Freelancers Against AB5, a Facebook group. (*emphasis added*)

(“From Horse Handlers to Tutors, California Gig Law AB5 Frustrates Contractors,” *San Francisco Chronicle*, 2/10/2020)

“I received cut-off notices from my clients just before Christmas, and have already lost most of my livelihood overnight,” Ildiko Santana, a Hungarian-English translator and interpreter, wrote in a letter to Gov. Gavin Newsom that she shared with The Chronicle. (*emphasis added*)

(“From Horse Handlers to Tutors, California Gig Law AB5 Frustrates Contractors,” *San Francisco Chronicle*, 2/10/2020)

“Stephen de Ropp, a documentary cinematographer, said he structured his small business as a corporation ‘to avoid any shadow of a doubt with my clients that I could still freelance.’”

“But it didn’t always work. ‘My clients’ lawyers are so paranoid about the wording of the law that many are not even allowing for business-to-business contracts to be approved with my company,’ he said in an email. **‘A majority of my business income is in jeopardy.’**” (*emphasis added*)
 (“From Horse Handlers to Tutors, California Gig Law AB5 Frustrates Contractors,” San Francisco Chronicle, 2/10/2020)

“Mary Beth Sasso has taught for three years at an arts center in Santa Rosa as an independent contractor paid \$60 an hour.

“‘It was good money, and I loved doing it,’ she said. To comply with AB5, she said, the center hired her and other teachers as employees, but cut her pay to \$23 an hour because of the overhead of benefits and other expenses. **‘The scope of my job hasn’t changed, but that doesn’t matter,’**” she said. (*emphasis added*)
 (“From Horse Handlers to Tutors, California Gig Law AB5 Frustrates Contractors,” San Francisco Chronicle, 2/10/2020)

“Becky Davis, board president of Altarena Playhouse in Alameda, is forming a coalition seeking a grace period and separate criteria for performing arts groups.

“**‘Most of these organizations were simply not adequately funded to comply with AB5’s drastic increase in employment costs on such short notice,’** she said in an email. **‘These changes are increasing budgets anywhere from 15 to 40 percent to much more (one company cited a 100% increase in artist fees if they were to reclassify artists as employees). These kinds of increases are devastating for a small-to-medium nonprofit.’**” (*emphasis added*)
 (“From Horse Handlers to Tutors, California Gig Law AB5 Frustrates Contractors,” San Francisco Chronicle, 2/10/2020)

“Renee Dyer, along with her three Arabian horses, Comet, Madonna and Jacki, had a dream gig working part time as the master horse handler for an East Bay nonprofit providing equine therapy for dementia patients.

‘It was such good work, (but) they just couldn’t afford me’ as an employee once AB5 took effect, she said. ‘They ripped my epaulets off.’” (*emphasis added*)

(“From Horse Handlers to Tutors, California Gig Law AB5 Frustrates Contractors,” San Francisco Chronicle, 2/10/2020)

“AB5, California's new gig economy law, has left the state’s performing artist community in a state of fear and confusion.

To learn more about AB5’s effect on artists, The Times asked readers to write in.

The overwhelming majority said AB5 is hurting their careers. Many are unsure how to comply with the law. Others are cutting back on programming or canceling services because of the cost required to convert independent contractors to employees.”

Michael Alfera, Los Angeles

Executive and artistic director of L.A. Choral Lab

“We are confounded by the definition of fine artist and by Assemblywoman [Lorena] Gonzalez’s conflicting public statements about the matter, so we are unable to tell if we are exempt. **If we’re not exempt, the effect of AB5 will be to force us to stop paying our professional choral artists any money at all and to treat them as volunteers.’**

“There simply is not enough money at the levels of the industries that we work in to support programs where all our artists are paid hourly wages and benefits. Arts nonprofits and the artists who collaborate with them have long lived in this middle ground between volunteers and employees, and **the effect of AB5 is to completely gut this middle ground.’**”

(*emphasis added*)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Paul Buckley, Los Angeles

Composer and songwriter for children's television

“The singers, musicians, transcriptionists, engineers and conductors I work with choose 1099 work because it maximizes their responsiveness to a fragile industry. For decades, music recording has been fleeing Los Angeles for cheaper cities, and because of the internet, there is little or no workflow penalty for recording elsewhere.’

“I have been fighting to persuade my clients to record here in L.A. even as one storied studio after another closes down. **The added costs and compliance hazards of AB5 mean that a case that was already hard to make has become nearly impossible.**’

“**AB5 will not raise the incomes or improve the working conditions of L.A. musicians and other media workers**, whose jobs, unlike those of transportation workers, are easily outsourced. Instead, those jobs will continue to disappear from California, where the penalty for being an independent working artist, or hiring one, is just too great.”
(*emphasis added*)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Chris Daley, Los Angeles

Director of Writing Workshops

“Until Jan. 1, I was the director of Writing Workshops Los Angeles, a private creative writing school with a faculty of 20 published writers serving 100 to 200 students per quarter in neighborhoods all over Los Angeles for the past 12 years.’

“**We were forced to close down because the costs to convert the instructors to employees – which they did not necessarily want – exceeded the cut Writing Workshops L.A. took from the class fees.**”
(*emphasis added*)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Gail Gordon, Los Angeles

Founding executive director of Numi Opera

“I have no idea at this point whether I can or if I can afford to continue. **Our small company, as with most California small companies, will die. And with us, the performers who survive off ours and other small companies' pay will be forced to leave their profession.**’

“Classical performers spend most of their lives honing their craft. They take lessons and coaching to be able to perform.’

“**AB5 will annihilate these small opera companies.** We are the stepping stones to bigger companies. Without us, our performers will not be able to be prepared for larger roles and bigger paychecks.’” *(emphasis added)*

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Graeme Hinde, Los Angeles

Manager of Casual Encounters live band karaoke

“**So far, all it’s done is add a layer of panic and uncertainty.**’

“We all gig with different bands around town, and no one knows what the law is going to mean for us or how it will eventually be interpreted. I keep a ‘band fund,’ where I put a percentage of each gig's earnings and tips, and I'm putting more in there now in case there are costs related to AB 5 that come due down the road.’

“That means all the musicians, including me, are getting paid a little less. **Depending on how things unfold, we may also lose gigs or have to fold it up entirely, or I may be stuck with a huge bill at the end of the year. The uncertainty has a chilling effect across the board, and small-time gigging musicians like myself are nervous and unsure how to proceed.**”
(emphasis added)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Colleen Keene, Oak Park

Freelance singer who runs a Christmas caroling company

“With Christmas caroling, I usually hire up to 70 singers in a season. The additional cost of making these singers employees will mean that I will probably work with only 50 singers or fewer this season.’

“Also, I will have to raise my rates to clients by about 30%, so I expect to book fewer gigs overall. **I will try to make it work, but it’s very possible that this will be the last year I can run my caroling company.**”

(emphasis added)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

John Highkin, San Diego

Operator of a performing arts nonprofit specializing in circus performance

“We’ve seen the tightening of definition of independent contractors coming for a couple of years from the Dynamex decision of the State Supreme Court.’

“That said, **it’s still painful, and we are seeing our artist, technician and teaching artist costs rising 10% to 22%. That’s a lot to absorb** in an already resource-tight arts and culture scene.’

“The added cost inhibits our ability to serve children and families in our City Heights neighborhood, arguably San Diego's most diverse and low income area. **We do not want to cut services, especially free-of-charge circus instruction at a city gym, but are already having to do so.**”

(emphasis added)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Ari Herstand, Los Angeles

Musician

“My accountant estimated it will cost me an additional \$6,000 a year to comply. **I contract around 50 musicians to play my shows and record on my records. If I have to put them all on payroll, it will crush my business.**” *(emphasis added)*

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

Marissa Herrera, Los Angeles

Choreographer, cofounder and artistic director of 4C Lab, a nonprofit arts organization for youth

“Being a fledgling nonprofit with limited infrastructure, I do not have the capacity to pay artists as employees. I can't even pay myself that way. Because we are small, I wouldn't even have enough work to give employees 20 hours a week, and I'd have to pay a very low rate.’

“My program is starting in a few weeks and I don't know what to do. **I am going to disappoint a lot of youth and their families who depend on our free arts programming if I have to cancel my program because of this law. My nonprofit can't survive, and we will never be able to grow.**” (*emphasis added*)

(“The AB5 Backlash: Singers, Actors, Dancers, Theaters Sound Off on Freelance Law,” The Los Angeles Times, 2/12/2020).

“They aren't complaining. ‘These are yogis,’ said owner Samantha Garrison. ‘They look on the bright side of things.’”

“With companies also having to cover employees’ Social Security and Medicare taxes, costs can mount. ‘I knew I needed to bring in more money,’” said Garrison, who raised her prices from \$22 to \$26 per class.

“So far, her clients aren't upset, she said. ‘I reached out to every member. **But it's been a huge headache – a lot of paperwork and technicalities.**” (*emphasis added*)

(“New California Labor Law AB5 is Already Changing How Businesses Treat Workers,” The Los Angeles Times, 2/14/2020).

“The law is having an immediate impact,’ said Anthony Pugliese, chief executive of the California Society of Certified Public Accountants.” His 45,000 members, he said, use ‘armies of temporary paraprofessionals. Thousands – it could be tens of thousands – are being put on payroll, signed up for withholdings and offered benefits.’”

“His association is preparing daylong training sessions on AB 5 compliance ‘because there's so much gray area,’ Pugliese added. Temporary tax return preparers often work 90 or 120 days between

January and April, he said, **‘but what if I'm only using them for a week? Who wants benefits for a week? It doesn't make sense.’** (*emphasis added*)
 (“New California Labor Law AB5 is Already Changing How
Businesses Treat Workers,” The Los Angeles Times, 2/14/2020).

“Sheila Scoville, president of Omni Therapy, a 30-employee Los Angeles referral agency. Omni connects healthcare agencies to physical therapists who work as independent contractors helping elderly patients recover from strokes or surgery in their homes.

“Scoville argues that the roving professionals she refers are paid by healthcare agencies, and don't technically work for Omni, although she has handled their paperwork and takes a cut of their fees.

“...But if the ABC test were applied, and the 500 therapists on Omni's roster were deemed her employees, Scoville calculated that workers' compensation alone would cost her nearly a million dollars a year.

“As a work-around, after consulting attorneys, **she informed all 500 therapists they would have to get their own business licenses or LLCs. Over the last month, some 150 quit.** ‘They weren't happy,’ she said. **‘They are afraid of the law.’**

“Now, Scoville added, ‘I’m looking into providing services in other states. We started this month in Arizona. **I don't know how long I can keep going in California.**’ (*emphasis added*)
 (“New California Labor Law AB5 is Already Changing How
Businesses Treat Workers,” The Los Angeles Times, 2/14/2020).

“**‘AB 5 hit us like a ton of bricks,’** said Christian Lebano, artistic director of the Sierra Madre Playhouse, one of 28 small nonprofit theaters in the Los Angeles area. ‘No one makes a living in small theater. Actors and designers do it because they love the work or want the exposure.’”

“North Hollywood’s Deaf West Theatre, which offers plays in sign language, has also been forced to adapt. Its actors and stage managers were already employees, but for its next production, 11 people will gain employee status, including the director, producer, designers and sign-language interpreters.

“We are trying the best we can to be in compliance, while keeping our company afloat,” said Deborah Reed, the theater’s business manager. *(emphasis added)*

(“New California Labor Law AB5 is Already Changing How Businesses Treat Workers,” The Los Angeles Times, 2/14/2020).

“Attorney Daryl Reese with Johnson Thomas, Attorneys at Law, PC, a business and nonprofit law specialist, said, ‘**AB 5 is poorly written and not well thought through. Yet it is here and enforceable.** Several legal challenges have been brought forward from those opposed to this law, but we have to deal with it as it is. **There are serious implications for employers as well as employees if AB 5 is not followed.**”

(emphasis added)

(“Nonprofit Theater the Latest Industry to Oppose California’s New Independent Contractor Law,” North Bay Business Journal, 2/27/2020)

“Ashleigh Worley, director of education and community engagement with the Luther Burbank Center for the Arts in Santa Rosa, said with so much misinformation and a lack of understanding of AB 5, **the thought of making teaching artists employees is scary.**

“We have to determine what we want for our industry,’ Worley said. **‘One thing is certain ... many small nonprofit art groups are not financially ready for AB 5.’** *(emphasis added)*

(“Nonprofit Theater the Latest Industry to Oppose California’s New Independent Contractor Law,” North Bay Business Journal, 2/27/2020)

“According to Keith Baker, producing artistic director of Main Stage West in Sebastopol, the arts are one of the strongest economic drivers in the county.

“Musicians have joined the chorus of occupations raising their voices against Assembly Bill 5.

“He said their budget per show is about \$10,000 and that performers receive about \$600 each to cover expenses and personal needs.

“For us, the estimated cost of AB 5 for five artists as employees doing three shows would involve paying \$2,000 per actor plus 30% for overhead and back office costs, totaling \$13,000,” Baker said. **‘Our performers love to act, and with higher costs another option might be to only use volunteers.’**

“Baker said the Equity Actor’s Union is working hard to find relief from AB 5.

“I met three times with state senators and Congressional leaders at LBC and also at the Cinnabar Theatre in Petaluma to discuss this issue,” Baker said. **‘We have no budget for legal representation. I estimate our overall costs could be \$250,000 a year under AB 5. So far, no one has been able to get clarity on this.’** (*emphasis added*)

(“Nonprofit Theater the Latest Industry to Oppose California’s New Independent Contractor Law,” North Bay Business Journal, 2/27/2020)

“Assemblywoman Lorena Gonzalez, D-San Diego, said she will seek to remove a 35-submission limit on the number of articles, photos and other assignments freelance media workers can produce for an employer.

“If the measure passes the Assembly and Senate, it wouldn't take effect until next January. **‘At that point there'll be far more people out of work than anybody would like’**” said Mickey Osterreicher, general counsel at the National Press Photographers Association. (*emphasis added*)

(“Proposal Would End California Cap on Freelancer Assignments,” Associated Press, 2/27/2020)

“For employers impacted by the law, I would expect to see a wave of benefit changes similar to what we encountered in the wake of the passage of the ACA,” says Erica Cordova, Vice President of Legal Counsel at OneDigital in Atlanta. **‘Employers will likely migrate more employees to part-time status to avoid offering benefits and explore ‘skinny’ and ‘high deductible’ plan offerings in an effort to contain the costs associated with offering benefits to this newly minted class of full-time employees.’** (*emphasis added*)

(“Will California’s AB5 Law Gag Your Gig Retirement?” Forbes.com, 2/28/2020)

“California’s Assembly Bill 5 (AB5), the controversial gig-worker bill, may be the final curtain for some local theater companies. Authored by Assemblywoman Lorena Gonzales (D-San Diego), the bill expands on a landmark decision by the California Supreme Court.

“‘Converting to an all-employee model rather than an independent-contractor model entails a huge amount of additional admin work for our volunteer staff, with additional costs of about 30%,’ said Island City Opera board member Eileen Meredith. **‘We simply don’t have the money or the infrastructure.’**” (*emphasis added*)

(“East Bay Theater Community Struggling Under New ‘Gig-Economy’ Law,” East Bay Times, 3/4/2020)

“All of us at Ghostlight Theatre Ensemble are really disappointed that AB5 wasn’t put on hold,’ said Jennifer Finetti, the East Contra Costa company’s marketing and media director.

“She noted that while most of those involved in productions were already volunteers, the company did pay a stipend to such key positions as director, choreographer, technical director and music director. **‘With AB5, we will be forced to either have everyone volunteer or hire production team and crew members as employees.’**” (*emphasis added*)

(“East Bay Theater Community Struggling Under New ‘Gig-Economy’ Law,” East Bay Times, 3/4/2020)

When presidential candidate Joe Biden endorsed AB 5, the following Twitter users weighed in,

“No please don’t support this. PLEASE. It’s hurting artists of all kinds terribly...a huge section of your supporters!” (*emphasis added*)

– Heather Provost (@psirulehpro) March 7, 2020

(“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” RedState.com, 3/7/2020)

“You are supporting a law that is devastating California! Writers, photographers, videographers, translators, indie musicians, special ed teachers, specialists of any kind have lost their livelihoods! Even the Dem lawmakers know it's a mistake. (Read #AB5 and #AB5stories.” (*emphasis added*)

– PixelPosh (@SusanVoiceOver) March 7, 2020
 (“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” RedState.com, 3/7/2020)

“OMG, do you want all of us voting for Trump? **This law is devastating all successful IC’s in California.** Reconsider this... this is serious #RepealAB5.” *(emphasis added)*

– Fabio Silva (@fabinsinger) March 7, 2020
 (“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” RedState.com, 3/7/2020)

“So disappointed @JoeBiden and @DrBiden. Check out hashtag #AB5stories and you will see how this is a damaging, non-partisan issue in CA. **#AB5 was poorly written and irresponsible and dismisses the concerns of many freelancers in CA.** Do not support #AB5 in its current state.” *(emphasis added)*

– Daniel Knighton (@DanielKnighton) March 7, 2020
 (“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” RedState.com, 3/7/2020)

“Hey, lifelong Dem here. **#AB5 resulted in me losing \$1000 of work every month. Fewer companies want to work with me. I hate this law, even though I want greater worker protections. It needs to be repealed or fixed as soon as possible.** Follow @cafwu for more info.”

(emphasis added)

– Joseph Knoop (@JosephKnoop) March 7, 2020
 (“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” RedState.com, 3/7/2020)

“Hard pass. **#AB5 is hurting millions of freelance professionals in 150+ industries. Hitting women, elders, disabled, immigrants, creatives, performers, small bus entrepreneurs, health professionals, etc.**

Do you really want to throw 35% of workers/professionals out of work? Rethink.” *(emphasis added)*

– AndiHK (@AndiHK) March 7, 2020

“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” [RedState.com](#), 3/7/2020)

“My mom either loses her income, or is forced to move out of CA to keep a 30 year career as an independent contractor, due to AB5. She's 6th gen Ca born. You just lost our votes. For the first time in my life I voted red.” [#RepealAB5](#) [#DemsAgainstAB5](#) (*emphasis added*)

– Leina caldwell (@Leina1redngold) [March 7, 2020](#)

“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” [RedState.com](#), 3/7/2020)

“Wow! I guess we will be voting for trump in California – signed, a **professional single mom who has had no income for over 2 months.**” (*emphasis added*)

– free cat (@mc93823939) [March 7, 2020](#)

“Biden Steps In It Big Time as He Weighs In On California’s Job-Killing #AB5 Law, Gets Blasted By Voters,” [RedState.com](#), 3/7/2020)

“TransPerfect President and CEO Phil Shawe commented, ‘**In the two months since AB5 took effect, I have already seen the negative impact that this hastily written law has had on thousands of independent contractor translators and interpreters in California.** Working just five hours per year translating into German or Xhosa for dozens of different translation agencies shouldn’t bind someone to be force-designated as an employee of each of these businesses.’” (*emphasis added*)

“Transperfect Advocates for Changes to California’s AB5,” [Slator.com](#), 3/12/2020)

“For Perez, AB 5 basically obliterated his occupation. One of Perez’s contractors, an owner of a fenestration testing lab in San Bernardino County, offered to hire Perez as an employee at \$20 an hour. It was a goodwill offer – the contractor admitted he didn’t have much for Perez to do full time. Taking that job would have meant swallowing a significant pay cut and making a daily 100-mile commute in LA traffic to do odd jobs such as sweeping the floors or filing reports. ‘That made no sense to me,’

Perez told me: **‘That’s 10 hours of driving a week to basically do nothing. Literally, I could drive Uber and make that much.’**

“So that’s what he did. In an ironic twist of unintended consequences, Perez is now driving full time for Uber and Lyft because that’s what he could do at immediate notice. Instead of earning \$2,500 a week, he’s now making about \$600 a week. Perez and his girlfriend decided California is no longer a viable place to live. They bought a house in Florida and are selling whatever they can so they can move in April. Perez hasn’t found a job yet in Florida, and until he does he intends to drive Uber and Lyft.
(*emphasis added*)

(“Going After the Gigs: Contractors and Freelancers in California Are Finding Themselves Out of Work As a State Law Destroys Their Jobs,” World Magazine, 3/12/2020)

“VOX MEDIA WAS THE FIRST big media company to announce it would end contracts with its 200-plus freelance writers and editors in California who wrote for its sports blogging network SB Nation. ...Tucker Partridge, a 24-year-old marketing specialist who managed one of the team blogs under SB Nation, told me he was ‘completely caught off guard’ by Vox Media’s announcement: **‘The way AB 5 was advertised, it would affect gig economy people, but it didn’t occur to me that I’m part of the gig economy.’**” (*emphasis added*)

(“Going After the Gigs: Contractors and Freelancers in California Are Finding Themselves Out of Work As a State Law Destroys Their Jobs,” World Magazine, 3/12/2020)

“Jen Van Laar, a 47-year-old freelance journalist at RedState, a conservative political blog, said as a single mother of a son with a learning disability, she chose to freelance so she could attend parent-teacher conferences, volunteer at school, and help her son with his schoolwork. Then four days before the new year, her editor called and told her they couldn’t continue working with her unless she incorporated herself.

“Setting herself up as an independent business would cost Van Laar at least \$800 in taxes a year, and even that would not be a risk-free guarantee. With less than 96 hours to make a decision, Van Laar hurriedly moved to North Carolina, where she has family.

“There, she can continue freelancing for RedState, but her son remains in California with his adult brother because she doesn’t want to remove him from his special high-school program.” (*emphasis added*)

(“Going After the Gigs: Contractors and Freelancers in California Are Finding Themselves Out of Work As a State Law Destroys Their Jobs,” World Magazine, 3/12/202)

“Jared Lutz, a 43-year-old father of two, used to subcontract with a home service company to clean residential windows in Palm Springs. When AB 5 went into effect, the company hired him as an employee. **Overnight, Lutz went from earning \$80,000 a year as a subcontractor to making \$15 an hour – a barely livable wage in a high-cost area like Palm Springs.**

“‘My family’s devastated,’ Lutz told me: ‘We’re struggling to put groceries on the table now. **We tried everything we could to figure out a way to exist within the law, and there isn’t a way.**’

“Lutz has decided to move out of state, but he’s currently undergoing a long custody battle with his ex-wife and cannot leave until they reach an agreement. Meanwhile, he’s living off his savings and a GoFundMe account. **AB 5 turned Lutz into an employee, but that made his situation worse. ‘I don’t need the government to protect me from myself,’** Lutz said.” (*emphasis added*)

(“Going After the Gigs: Contractors and Freelancers in California Are Finding Themselves Out of Work As a State Law Destroys Their Jobs,” World Magazine, 3/12/202)

“In El Cerrito, Calif., Stephen Beale, 61, has felt the effects of AB5 firsthand. A journalist with 20 years of experience, Beale was laid off from a full-time editorial job at Agility PR Solutions last May. As he unsuccessfully searched for a full-time job, he decided to pursue freelance writing.

“**AB5 has definitely made that difficult,**” says Beale. ‘If the law weren’t in place, I would be very aggressively going after clients to get steady work.’ Instead, he’s continuing to apply for full-time work, but believes potential employers see him as too old to bring him on full-time.

“**AB5 is an overreaction to what was obviously a problem, but it’s causing a lot more problems than it solves. It’s a real mess,**’ says Beale.” (*emphasis added*)

("Could New Gig Economy Laws Prevent You From Working?," Forbes, 3/17/2020)

"Doug Ose is also concerned about the impact on medical professionals in rural areas. 'We are all aware of the significant challenge facing us dealing with coronavirus,' Ose said. **'Those challenges are particularly acute in rural California, where hospitals and clinics don't have sufficient patient loads to support full time positions in a number of physician and nursing specialties. In the past, such needs have been met by contracting with independent contractors to provide services. That approach is problematic now that AB 5 has become law.'**" *(emphasis added)*

("AB 5 Making Coronavirus Crisis Worse in California's Rural Areas Lacking Independent Healthcare Contractors," California Globe, 3/24/2020)

"'I know there is currently a higher demand to provide workers with timely information related to COVID-19 in various languages other than English. **In California, translators and interpreters are not permitted under AB5 to assist with this need currently,**' Ildiko Santana, a Hungarian/English translator and editor said.

"'Yesterday I actually received an urgent request, to translate 2 letters regarding COVID-19 and plasma / blood donations,' Ildiko said. 'This is yet another, less obvious factor to consider. Now, more than ever, we need more supplies to save lives, yet the information will largely remain in one language, eliminating potential donors participation. **Ironically, the client who sent me this urgent assignment could get in trouble under AB5 and fined up to \$25,000! Just for trying to help humanity in a global pandemic. This is truly heartbreaking.**'" *(emphasis added)*

("AB5 Keeps Translators and Interpreters From the Fight Against COVID-19," Communities Digital News, 3/25/2020)

"Kathrin Kana juggles a few jobs: She's a voice-over actor, a yoga instructor and a home organizer. Kana and others like her have published or signed petitions calling on state regulators to repeal AB 5, or at least suspend it for the duration of the crisis. **'You're trying to protect us, but you're killing independent contractors who now have zero income.'**" *(emphasis added)*

“Coronavirus is Supercharging The Fight Over California’s New Employment Law,” The Los Angeles Times, 3/26/2020)

“In the music industry, people stopped hiring California musicians and taking that work out of state, venues stopped having music altogether, community arts organizations that hosted small opera and musical productions began shutting down and canceling upcoming performances, artists, bandleaders, and singer-songwriters stopped hiring backup bands for their gigs...Composers stopped contracting musicians to record demos for their new works, contracting agencies which hired arrangers, musicians, librarians, orchestrators, recording studios, and recording engineers, had to shut down, artists stopped hiring recording engineers, and so on.” *(emphasis added)*
 (“Finally the California Music Industry Gets Relief Under AB5, Ari’s Take, 4/17/2020)

“Companies of all sizes have steered clear of working with California contractors. Smaller companies such as Enotes, a 25-person Seattle-based company, are particularly wary of the risk of potentially violating the law. Enotes co-founder Alex Bloomingdale said company lawyers advised it was too much of a liability to continue contracting with workers in the state. **‘We hope the law will be changed so we can continue to provide opportunities for talented educators in the state,’** Bloomingdale said.” *(emphasis added)*

(“Coronavirus is Supercharging The Fight Over California’s New Employment Law,” The Los Angeles Times, 3/26/2020)

““AB5 is shackling our professional response and collaboration at a time when interpreters and translators are in high demand to help communicate vital information with non-English speaking residents of California,” said David Higbee, a certified court interpreter. **‘As many workers demand coronavirus bailouts, we just want an exemption from this law that is hurting way more people than it helps. We could be working safely from home, but this law is not letting us.’”** *(emphasis added)*

(“Interpreters and Translators Unite to Demand AB5 Exemption,” The Paso Robles Press, 4/22/20)

“The coronavirus pandemic has brought into clearer focus the flaws and failures of existing laws in California and across the country. **Assembly Bill 5, already an evidently flawed and counterproductive law, has and will continue to hinder economic opportunities for workers across California** who want the flexibility of gig work.”

“While rideshare companies such as Uber and Lyft became a stand-in for the sort of companies and work impacted by AB5, the far reach of the law has only been made more apparent with time. **Californians in lines of work as varied as music, translating, writing and trucking have found themselves negatively impacted by the law.**”

“The flaws of AB5 are made perfectly clear by the fact that the law, which already contains several narrowly targeted exemptions for certain lines of work, continues to be the subject of promises for further exemptions. **If a law needs numerous exemptions to make sense, it probably doesn’t make sense.**”

“With the long-term impact of the coronavirus pandemic likely to drag on for some time, **laws like AB5 will only make California’s economic recovery much harder**, while artificially restricting the nature of work for Californians.”
(*emphasis added*)

(“Assembly Bill 5 and Sacramento Arrogance,” Orange County Register, 4/22/20)

“As California state and federal court interpreter Esther Hermida who has been working as an interpreter for the last 27 years told Slator, **‘Covid-19 and AB5 have been a lethal combination for our profession.** We are holding our collective breaths to see if we can resume our professional lives after this devastating one-two punch to our profession.’” (*emphasis added*)

(“New Bill Aims to Lessen Fallout From AB5-Coronavirus One-Two Punch,” Slator.com, 4/29/20)

“Certified court interpreter David Higbee has stated the law’s devastating impacts, **‘AB5 is shackling our professional response and collaboration at a time when interpreters and translators are in high demand to help communicate vital information with non-English speaking residents of California.** ... Our profession has been backed into a corner by AB5. It’s a

terribly written law – passed without even a basic impact study, denounced by hundreds of economists and every major T&I association.”
(*emphasis added*)

(“New Bill Aims to Lessen Fallout From AB5-Coronavirus One-Two Punch,” [Slator.com](#), 4/29/20)

“Ari Herstand, a musician, said of AB5, ‘This could single-handedly crash the California music economy as we know it, this is just not feasible for how we operate our business. ... **I would have to incorporate, I’d have to get worker’s comp insurance, unemployment insurance, set up a payroll company. It’s like it would cost thousands of dollars just to comply with AB5 and it just wasn’t realistic.**” (*emphasis added*)

(“Music Rights Org Teams With CA Legislature to Protect Music Industry From AB5,” [SpectrumNews1.com](#), 4/29/20)

“**I’ve lost about 20 percent of my income, just like that,**’ said Abigail Villapudua, a Long Beach resident who is a state certified Spanish and French interpreter, is court certified, medical certified, and also works with nonprofits. ‘I work with multiple agencies, who hold the contracts. **I’m a freelancer. It doesn’t make sense economically for me to become a corporation.**” (*emphasis added*)

(“Long Beach Interpreters, Translators Part of Fight Against AB5,” [The Grunion](#), 5/1/2020)

“According to Steve Cipolla, director of LINKS interpreting services at Goodwill SOLAC in Long Beach, agencies and groups with jobs for interpreters and translators are turning away from California for services. The remote services required during the Stay at Home restrictions of the coronavirus pandemic make it worse.

“Cipolla said, ‘They are professionals, and customers are contracting for professional services... **Right now, there is a lot of VIR – Video Remote Interpreting – because of the situation, and its growing. Companies can and are hiring outside of California now for those services.**” (*emphasis added*)

(“Long Beach Interpreters, Translators Part of Fight Against AB5,” [The Grunion](#), 5/1/2020)

“Gloria Rivera is among California’s front-line health care workers unable to find work in hospitals – even amid the coronavirus pandemic – due to AB5, a controversial new labor law targeting the gig economy.

“The native Spanish speaker is a medical interpreter who has taught at major universities and collaborated on top-level projects with the Centers for Disease Control and Prevention. But as an independent contractor in the San Francisco Bay Area, she has been almost completely shut out of work.

“‘Right now I have zero requests’ Rivera stated. **‘Just having AB5 was bad. But coronavirus has made it even worse for most of us.’**” (*emphasis added*)

(“How This Gig Economy Law Threatens Coronavirus Response and Economic Recovery, Investor’s Business Daily, 5/1/2020)

“Mathew Rakers runs a Mira Mesa-based business called The San Diego Music And Art Company that provides “comprehensive and high quality music and arts education to students of all ages while supporting a growing network of skilled professional musicians, artists, photographers, and writers.

“Originally all the instructors were hired as independent contractors but due to the uncertainty of how future AB5 enforcement would affect his business model, Rakers took a large, precautionary step to make sure that his operation didn’t run afoul of the new law.

“‘I had to hire on everyone as employees,’ Rakers explained. **‘Everyone took a pay cut. It’s pretty common that people are either hiring on the teachers as employees with pay cuts or they’re just basically operating under the table now or possibly illegally and opening themselves up to fines.’**

“‘That’s really frightening because none of these people are wealthy,’ he added. ‘It’s a whole class of the economy that’s like lower-middle-class at best.’” (*emphasis added*)

(“Lorenza Gonzalez’s AB5 Bill Cuts Music Instructor Pay at San Diego Music and Art Company,” San Diego Reader, 5/7/20)

“One million California app-based rideshare and delivery jobs are under attack by state politicians,’ said Dave Thomasson, a professional musician from Covina who also drives rideshare. **‘Their laws threaten to eliminate these jobs and take away our ability to choose independent work.** This ballot measure will protect this critical work that’s being threatened by out-of-touch politicians.’” *(emphasis added)*

(“Carve-Outs or Voter Initiative: What Will Fix AB5?,” California Globe, 5/26/20)

“California is radioactive,’ said Karen Anderson, founder of the Facebook group ‘Freelancers Against AB5,’ a protest group aiming to repeal a state law classifying most California freelancers as employees in order to guarantee certain job benefits. But contracting agencies in the digital age can go elsewhere for talent, especially during the COVID-19 pandemic.

“**We have screenshots of over 300 termination letters from various platforms and agency businesses terminating, saying we can’t work with you because you live in California,**’ said the advertorial writer. ‘Not just writers, [but] also transcriptionists [and] online video tutors are being turned down across the board. **With COVID’s stay-at-home, Californians are discriminated against, while everywhere else people can pursue online work legally. It’s an outrage. California writers have already lost all their gigs.**’

“California needs to suspend AB5 during this pandemic,’ Anderson said, ‘so when we crawl out of the wreckage of the stay-at-home order, we can survive without having a stranglehold on entrepreneurship and a boot on the neck of small and medium-sized businesses. **How is California going to recover from AB5 strangling everybody?**” *(emphasis added)*

(“California Freelancer Reforms Under the Microscope,” The San Diego Voice & Viewpoint, 6/4/20)