

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

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The Honorable Gavin Newsom  
Governor of California  
1303 10th Street, Suite 1173  
Sacramento, CA 95814

**VIA FACIMILE: (916) 558-3160 (one page)**

Dear Governor Newsom:

On behalf of the U.S. Chamber of Commerce, I urge you veto AB 5, a piece of legislation recently passed by the California legislature that will disrupt longstanding business practices and threaten the viability of some businesses as a result. The legislation adopts the California Supreme Court's misguided 2018 decision in *Dynamex Operations West, Inc., v. Superior Court*, which invented a new standard for determining whether one is an independent contractor versus an employee.

The *Dynamex* standard, as well as that of AB 5, will have a particular effect on the evolving gig-economy, in that businesses providing a platform to a network of service-providers and their potential customers, such as ride-sharing companies, may find themselves being deemed the employer of those service-providers. Inasmuch as companies like these provide opportunities to individuals to earn a living as legitimate independent contractors, classifying such contractors as employees will jeopardize those opportunities.

In public statements, you have previously indicated support for AB 5, but I urge you to reconsider your support by vetoing the bill so that a more reasonable proposal can be considered.

Sincerely,



Sean P. Redmond  
Executive Director, Labor Policy