



## AB 5 Talking Points

- Every worker deserves the basic economic security that comes with important protections like a minimum wage, unemployment insurance, a workplace free of discrimination and harassment and compensation if an injury on the job occurs.
- More and more big corporations are cutting corners on costs by cheating their workers - like drivers, janitors, construction workers, health techs - out these basic protections just to pad the bottom line. Instead of following the rules, these companies are calling their workers contractors instead of recognizing those workers as employees. When companies trap workers contractor status, it allows them to dodge any responsibility for those workers for even the most basic of protections we should all have.
- When working people are trapped in contractor status instead of recognized as employees, they have no ability to stand together in a union to stand up for themselves and their co-workers when they're mistreated. Contractor schemes further tilt the power balance to corporations and away from workers.
- There's nothing innovative about cheating workers. Corporate CEOs have been doing it for years. Greed has been around as long as work has. It's time to level the playing field instead of making more difficult for working people to get ahead.
- When unscrupulous companies deny workers these basic rights, it hollows out our state's middle class, leaving workers and their families living on the edge. The CEOs of these companies are cheating workers just so they can give bigger bonuses to themselves and their wealthy executives.
- Low-wage and immigrant workers who are already vulnerable to exploitation are hit hardest when big corporations unfairly eliminate employee protections by shifting risk to workers and sending all the profits to wealthy CEOs.



- Last year the California Supreme Court ruled unanimously that these corporate schemes to cheat workers violate the law.
- In the Dynamex case, the Court said companies must use a simple test, already adopted by other states, to determine if a worker is truly a contractor instead of an employee. The ruling removes uncertainty for businesses and ensures that companies aren't cheating workers out of protections they deserve as employees.
- Worker advocates have joined with Assemblymember Lorena Gonzalez Fletcher to enshrine the ruling into state law and close loopholes that allow some big corporations to continue cheating. The bill, AB 5, clarifies the decision and protects both employees and those who are actually independent contractors.
- The bill levels the playing field for companies and small businesses that do the right thing for their workers. It protects good businesses from being at a competitive disadvantage with those big corporations who cheat workers and flout the law.
- No one deserves the extreme economic instability and insecurity that goes along with being unfairly denied basic protections on the job.
- AB 5 will protect all workers while creating an important roadmap for California to strengthen our middle class and give more workers a fair shot at the American Dream.

