RESOLUTION

WHEREAS, any official position of the City of Los Angeles, with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, AB 5 (Gonzalez), introduced on December 3, 2018, would require companies to consider their workers as employees, rather than independent contractors, unless three conditions are met; and

WHEREAS, a number of "gig-economy" companies, such as Uber and Lyft, designate their workers as independent contractors, thus denying workers basic job protections by circumventing state and federal labor laws; and
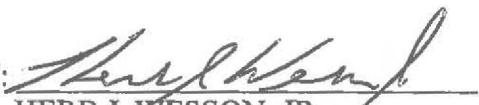
WHEREAS, a 2016 study found that the number of workers classified as independent contractors rose 30% from 2005 to 2015, and another recent study found that construction workers who are misclassified as independent contractors earn 64 cents for every dollar a formal employee earns; and
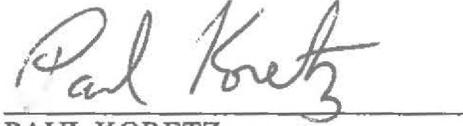
WHEREAS, worker misclassification compounds with a number of other issues facing disadvantaged workers, such as income inequality and the housing crisis; and

WHEREAS, the conditions set forth in AB 5, which are motivated by a 2018 California Supreme Court case, *Dynamex Operations West v. Superior Court*, would reclassify many independent contractors as formal employees, thus providing exploited laborers with the protections they deserve; and

WHEREAS, AB 5 also includes provisions for freelance workers who benefit from being classified as independent contractors;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes into its 2019-2020 State Legislative Program SUPPORT for AB 5 (Gonzalez), which would make it more difficult for companies to classify their workers as independent contractors rather than employees.

PRESENTED BY: _____

HERB J. WESSON, JR.
Councilmember, 10th District

PAUL KORETZ
Councilmember, 5th District

SECONDED BY: _____

tcjn

AUG 1 4 2019