

UCAN

United Chamber Advocacy Network

*El Dorado County Joint Chamber Commission; Elk Grove Chamber Commerce; Folsom Chamber of Commerce;
Rancho Cordova Chamber of Commerce; Roseville Area Chamber of Commerce*

Where You Can Make a Difference for Business in California!

April 12, 2018

Hon. Tony Thurmond
Chair, Assembly Committee on Labor and Employment
Legislative Office Building
1020 N Street, Room 115
Sacramento, CA 95814

Re: AB 2016 (Fong) re: Labor Code Private Attorneys General Act (PAGA) reform – SUPPORT

Dear Chair Thurmond:

On behalf of the chambers of commerce that comprise the United Chamber Advocacy Network (UCAN) and their nearly 4800 combined members, I am writing to express support for Assembly Bill 2016 (Fong) which proposes several important, common sense reforms to the Labor Code Private Attorneys General Act (PAGA).

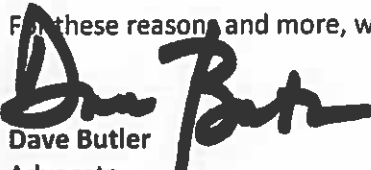
In a recent joint membership survey, the UCAN chambers asked “what is the top issue impacting your business’ bottom line?” It was no surprise that burdensome governmental regulations was the top response of members, followed by taxes, HR policy, legal liability and the state’s overall business climate.

As a result of state policy, businesses in California face increasing costs and liabilities associated with their role as employers. These costs and liabilities adversely impact their businesses, their bottom lines and their willingness and ability to grow, expand and add people to their payroll.

AB 2016 would mitigate the financial threat of frivolous litigation by requiring that plaintiffs provide a more detailed account of the allegations in the required PAGA notice. Currently, a PAGA notice simply requires the employee to state the Labor Code provision alleged to have been violated. This bill would require the plaintiff to actually provide a statement setting forth the relevant facts, legal contentions, and authorities supporting each alleged violation. Additionally, the bill requires that the plaintiff provide an estimate of the number of current and former employees against whom the alleged violation or violations were committed and on whose behalf relief is sought. If the plaintiff seeks relief on behalf of 10 or more employees, the bill would require that the notice be verified.

AB 2016 also provides the employer with a longer opportunity to cure alleged grievances instead of current law that only provides 33 days. This is beneficial to both the employer and employee. For the employer, it eliminates the threat of costly civil litigation for an unintentional error for which it was not aware. For the employee, it provides an efficient remedy to an alleged violation.

For these reasons and more, we respectfully urge your “AYE” vote on AB 2016.


Dave Butler
Advocate

United Chamber Advocacy Network

cc. Assemblymember Vince Fong
Members, Assembly Committee on Labor and Employment
Assemblymembers Ken Cooley, Frank Bigelow, Jim Cooper, Kevin Kiley

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