



****FLOOR ALERT****

May 1, 2019

TO: Members, California State Assembly

**SUBJECT: AB 589 (GONZALEZ) EMPLOYMENT: UNFAIR IMMIGRATION-RELATED PRACTICES
THIRD READING
OPPOSED – AS AMENDED APRIL 25, 2019**

The California Chamber of Commerce and the organizations listed below respectfully **OPPOSE AB 589 (Gonzalez)** as amended on April 25, 2019 because it creates duplicative criminal penalties for conduct that is already criminal, and burdens employers across the state with additional notice, posting, and record keeping requirements.

The employer community takes very seriously any acts which violate workers' rights to lawful treatment in the workplace, and strongly oppose human trafficking, imprisonment, or involuntary servitude. While we understand the intent of this bill and support efforts to end human trafficking in the workplace, **AB 589** creates unreasonable burdens for employers who are already required to inundate new employees with forms at the time of hiring, as well as duplicative criminal liability.

Duplicative Criminal Penalties

AB 589 creates additional criminal and civil penalties for employers who knowingly destroy or retain an employee's immigration or identification documents with intent to commit trafficking, slavery, or coercive labor practices. Specifically, the bill adds misdemeanor criminal liability and a \$10,000 civil penalty.

In comparison, existing California and federal law already prohibit this conduct. CA Penal Code Section 236.1 already considers exactly the situation which **AB 589** appears aimed at – an employer taking or concealing a victim's immigration documents in order to compel work – and provides for more stringent punishments than **AB 589** - including 5 or more years in prison and a fine up to \$500,000. In addition, current federal law (Chapter 77 of Title 18 of the U.S. Code) also prohibits forcing an individual to labor by withholding their passport or other immigration documents.

Posting Notice, Distributing Forms, and Storing Signed Records

AB 589 requires the Department of Industrial Relations (DIR) to develop a "Worker's Bill of Rights" by July 1, 2020, which includes specified information related to employee's rights. Once the new "Worker's Bill of Rights" is drafted, **AB 589** requires employers to provide a copy to all employees in a language the individual employee can understand, or provide a translator, as well as have the employee sign to verify receipt of the listed rights. In addition to this additional burden at hiring, **AB 589** requires the business to maintain the signed document for three years after hiring.

This would add to the already numerous requirements for employers related to new employees and simply is not necessary in light of existing legal protections. As Governor Brown's veto notice of a similar passage in last year's AB 2732 noted: "the vast majority of California employers have nothing to do with labor trafficking, so this mandate as applied to them is burdensome and unwarranted."

Also, the coalition would like to express its appreciation for the author and staff working to address previously overbroad language in the "Worker's Bill of Rights". Though these amendments are a definite improvement, they do not change our overall **OPPOSE** position.

Employers of all sizes, but especially small business owners, struggle to comply with a wide array of documentation and signage requirements, and this bill seeks to impose additional, burdensome requirements upon them, along with additional unintended civil and criminal penalties. For these reasons, we **OPPOSE AB 589 (Gonzalez)**.

Sincerely,



Robert Moutrie, Policy Advocate
California Chamber of Commerce

Building Owners and Managers Association
California Business Properties Association
California Farm Bureau Federation
California League of Food Producers
California Restaurant Association
California Retailers Association
California State Council of SHRM
El Dorado Joint Chamber Commission
Elk Grove Chamber of Commerce
Folsom Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
ICSC – International Council of Shopping Centers
National Federation of Independent Business
NAIOP – Commercial Real Estate Development Association
Rancho Cordova Chamber of Commerce
Roseville Area Chamber of Commerce
United Chamber Advocacy Network
Western Growers Association

cc: Che Salinas, Office of the Governor
Laurel Brodzinsky, Office of Assembly Member Gonzalez
Megan Lane, Assembly Committee on Labor and Employment
Amanda Richie, Assembly Republican Caucus