



**NB-29**

**Date:** October 9, 2018  
**To:** Honorable Mayor and City Council  
**From:** Lena Gonzalez, Chair, Tidelands and Harbor Committee  
**Subject:** **Trucking Industry and Driver Classification**

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The Tidelands and Harbor Committee, at its meeting held Wednesday, September 5, 2018, considered communications relative to the above subject.

It is the recommendation of the Tidelands and Harbor Committee to recommend the City Council to direct [1] City Attorney and the Board of Harbor Commissioners explore ways to address the protection of proprietary interests and labor code violations at the Port of Long Beach, and [2] City Manager report back to the City Council on the impacts of new state legislation SB 1402.

Respectfully submitted,

TIDELANDS AND HARBOR COMMITTEE

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Councilwoman Lena Gonzalez, Chair

Prepared by:  
Jonathan Nagayama



May 24, 2018

Councilwoman Lena Gonzalez, District 1  
Chair of Tidelands and Harbor Committee  
333 West Ocean Blvd, 14th Floor  
Long Beach, CA 90802

Dear Councilwoman Gonzalez:

Target appreciates the opportunity to provide input on proposals to address the labor practices by some drayage trucking companies at the ports of Los Angeles and Long Beach that were raised in recent news articles and shared by drivers who have testified about their personal experiences at the state capitol.

As global supply chains grow even more complex, Target has a longstanding commitment to driving transparency and accountability in our business to help advance workers' well-being. The drayage trucking industry in California is no exception, and Target does not tolerate mistreatment of workers within our team, suppliers, subcontractors or anyone that does business with our company. We are committed to responsible business conduct and expect our suppliers to comply with our supplier standards and all applicable laws and regulations including those involving federal labor law, wage and hour requirements, and proper worker classification. These are not just expectations, but contractual obligations made clear in our contracts, supplier code of conduct, and supplier engagement standards. We encourage the Port authorities and other stakeholders to explore appropriate measures aimed at extending similar protections at the Port's operations.

Target is proud of our presence in California and our support for the local economy and communities. In the Long Beach and Los Angeles markets alone we have 69 stores and more than 12,000 team members. Additionally, Target recognizes that our suppliers and subcontractors are our guests as well, and our commitment to deliver an exceptional guest experience extends to those individuals who contribute to our supply chain and operations.

Target is committed to continuous improvement and will utilize enterprise and industry benchmarking and best practices to consider if additional measures are needed to drive for more accountability and efficiency. We look forward to working with stakeholders to find reasonable solutions to improve the working conditions of port drayage drivers and balance the needs of

businesses that continue to drive the goods movement industry at the Port of Long Beach. Thank you for this opportunity to weigh in on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "David Davis". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Davis".

David Davis  
Senior Director, Global Inventory Management  
Target



May 24, 2018

The Honorable Councilmember Suzie Price
Long Beach Tideland & Harbor Committee Member
Long Beach City Hall
333 West Ocean Blvd
Long Beach, CA 90802

SUBJECT: Long Beach Independent Contracted Truckers

To the Honorable Councilmember Suzie Price;

We are writing on behalf of the Los Angeles County Business Federation (BizFed) - a diverse grassroots alliance of more than 170 top business groups representing more than 390,000 employers with over 3.5 million employees throughout Los Angeles County. We are writing to propose solutions for the Long Beach City Council to consider for the upcoming informational hearings on Independent Owner Operators that the city council voted unanimously to hold at the February 20, 2018 meeting.

BizFed wants to ensure that the informational hearing process is fair and helps to shed light on issues of interest, specifically driver misclassification, we are proposing the following three solutions;

- 1. All hearings should be held on Thursday "Stop Work" nights to allow for the greatest level of participation from individuals working in the port.
2. The city needs to make certain that this process is balanced and is inclusive of the businesses, employees, and independent contractors who work in the port.
3. The city should allocate some of the money set aside to facilitate a truly independent third party study of the current state and five-year trend of the industry with the California State University of Long Beach that is inclusive of industry and labor but is not created by any one stakeholder.

With over 16,000 registered drivers in the Port Driver Truck Registry, the majority of whom classify themselves as Independent Owner Operators. It is important to preserve the opportunities for trucker choice as there must be options for them to choose their individual relationships with trucking companies they drive for. It is imperative that we fully understand the state of port trucking today before moving forward with assumptions that there is a broken industry model as this will have major impacts on the ability for the ports to remain competitive. If you have any questions please contact Jerard Wright, our policy manager on this issue, at jerard.wright@bizfed.org.

Sincerely,

[Signature of Hilary Norton]

Hilary Norton
BizFed Chair
Fixing Angelenos
Stuck in Traffic (FAST)

[Signature of David Fleming]

David Fleming
BizFed Founding Chair

[Signature of Tracy Hernandez]

Tracy Hernandez
BizFed Founding CEO
Impower, Inc.

CC: Long Beach City Council,
Long Beach Harbor Commissioners



**City of Long Beach  
Tidelands and Harbor Committee Hearing  
Alex Cherin**

**May 24, 2018**



# Current State of Intermodal Drayage Challenges and Opportunities

- Legacy of 2008 CTP / CAAP
- Operational Constraints
- Regulatory Pressures
- Downward Pricing Pressures Throughout Supply Chain
- Snapshot of Current Misclassification Issues



# Legacy of 2008 CTP/CAAP

- Immediate Contraction in Drayage Market / Increase in Barrier to Entry
- 30%-40% of Capacity was Removed Resulting in Additional Pressures on System
- More Emphasis on Productivity / Need for Better “Turn Times” at Terminal Gates



# Current Operational Constraints

- Metric for Productivity in Drayage is “Turn Time” and Turn Times Impacted by:
  - Pier Pass
  - Equipment Constraints
  - Terminal Practices



# Regulatory Pressures

- Environmental Regulation:
  - Drive Toward “Zero Emissions” Embraced but Adds Financial Pressure;
- Other Regulation:
  - Berman Hearing / Misclassification Claims



# Downward Pricing Pressure Throughout Supply Chain

- BCOs Continue to Demand Service for Increased Volume Coming Through POLA/POLB Despite Capacity Constraints
- Margins Remain Same
- Driver Shortage





# CTA and Misclassification

- Current Litigation with State DOL Over Berman Hearing Process
- Driver Pay Study with IEEP / Dr. John Husing
- SB 1402 (LARA) Discussions



# Questions





# WHO IS THE HARBOR TRUCKING ASSOCIATION?

Harbor Trucking Association (HTA) is a coalition of intermodal carriers whose purpose is to advocate, educate and promote strategies with other goods movement stakeholders and policy makers that will sustain emission reductions, provide a dialog for intermodal truck efficiency, and to return cargo and jobs to the West Coast ports.

## WHAT DO WE DO?

ADVOCATE – EDUCATE - INNOVATE



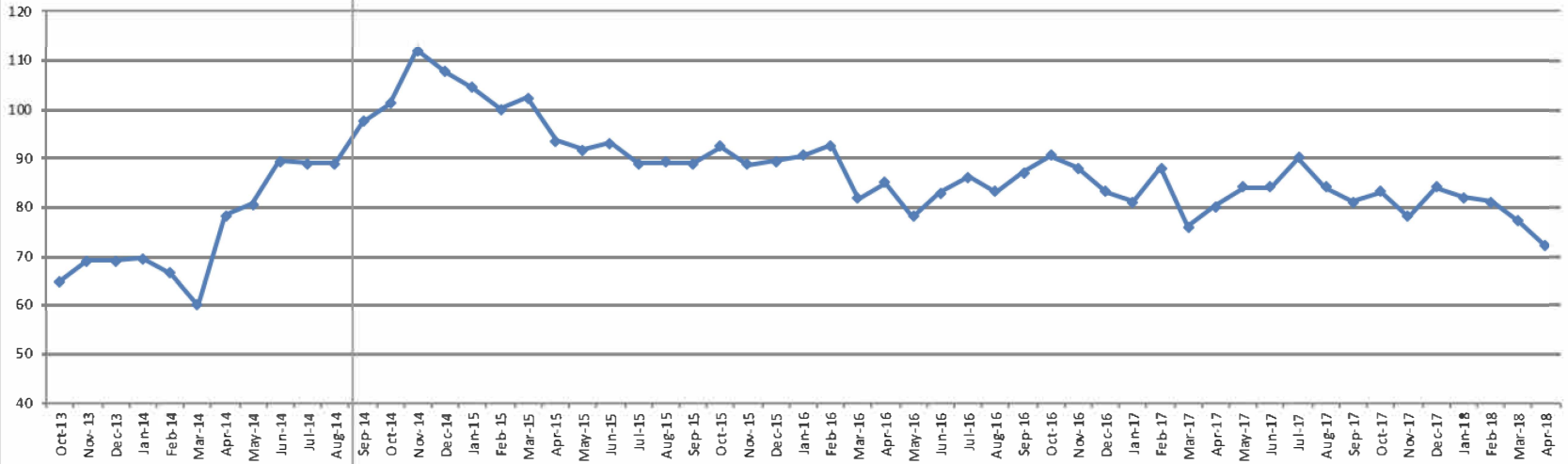
Harbor Trucking Association

# Major Issues Facing The Port of Long Beach

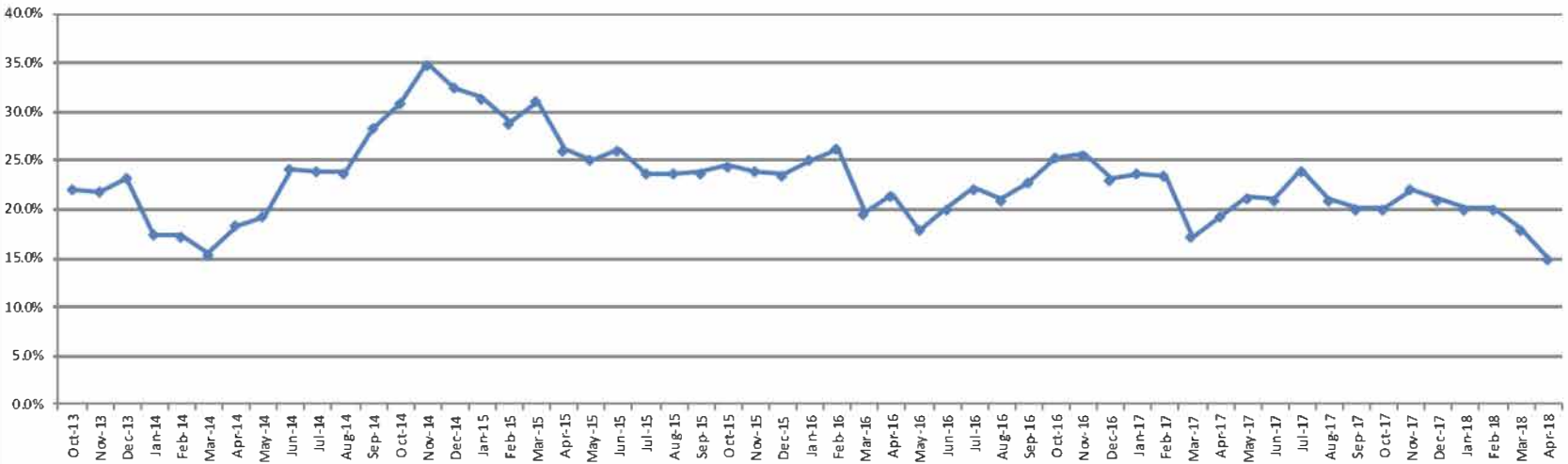
- Congestion and operational inefficiencies continue to be the single largest issue impact the port trucking industry.
- Land Use regulation and lack of permitting on support facilities
- Environmental Regulation and uncertainty
- Driver Shortage (future) caused by retirement, slow recruitment, introduction of capacity shrinking regulations (ELD), and truckers choosing other types of trucking to remain owner- operators



**Visit Time (minutes)  
October 2013 - April 2018**



**Percent Moves Over Two Hours  
October 2013 - April 2018**



# WHAT HAS HTA DONE TO OVERCOME THESE ISSUES?

## CONGESTION

- **Developed KPI's and Metrics**
- Worked with vendors to develop and implement solutions based on technology (Portals, Appointment Systems, System Integrations)
- Leveraged metrics to advocate for higher rates and wait-time compensation for drivers
- Stakeholder engagement to work directly with Marine Terminal Operators to develop operational efficiencies

## LAND USE

- Working with the ports and surrounding support cities on their land use plans
- Educating communities and elected officials on the importance of logistics to their cities
- Assisting highly impacted cities with efforts to increase state and federal funding for freight in their local municipality





## ENVIRONMENTAL

- Worked with the CTA on passage of the Useful Life Provision in SB 1
- Working with state regulatory officials to help provide funding for new trucks
- Partnering with OEMs on the development and implementation of ZE and NZE Trucks
- Providing free grant assistance workshops to companies and drivers looking to transition to new cleaner trucks


## DRIVER SHORTAGES

- Launched the HTA Commercial Driver Program with Long Beach City College
- Developing new HTA certified driving academies in port cities
- Advocated for changes to federal barriers to entering trucking
- Working to increase rates in trucking
- **Working to preserve “trucker choice” and implement new technological enhancements to trucking**



Harbor Trucking Association



A large crowd of port drivers, many wearing orange safety vests and hats, are gathered on a street. They are holding numerous yellow and red flags and banners. In the foreground, a man in a white shirt and orange vest is seen from behind, holding a large banner. To the right, a woman is taking a photo with a camera. The background shows industrial buildings and utility poles under a clear sky.

# Risks & Consequences of Illegal Business Practices & Winning Justice for Port Drivers

Fredrick Potter, Port Director, International Brotherhood of Teamsters

Presentation to Tidelands and Harbor Committee

Long Beach City Council

May 24, 2018



# Long Beach City Mayor Robert Garcia



**Robert Garcia** @RobertGarciaLB · 22 Dec 2017

Replying to @PortDriverUnion @MayorOfLA

Thx @PortDriverUnion for this. Please know that we are working on this important issue. We've been meeting with numerous parties and workers and looking towards a solution in 2018. We know there is serious misclassification happening and it's unfair and unjust.



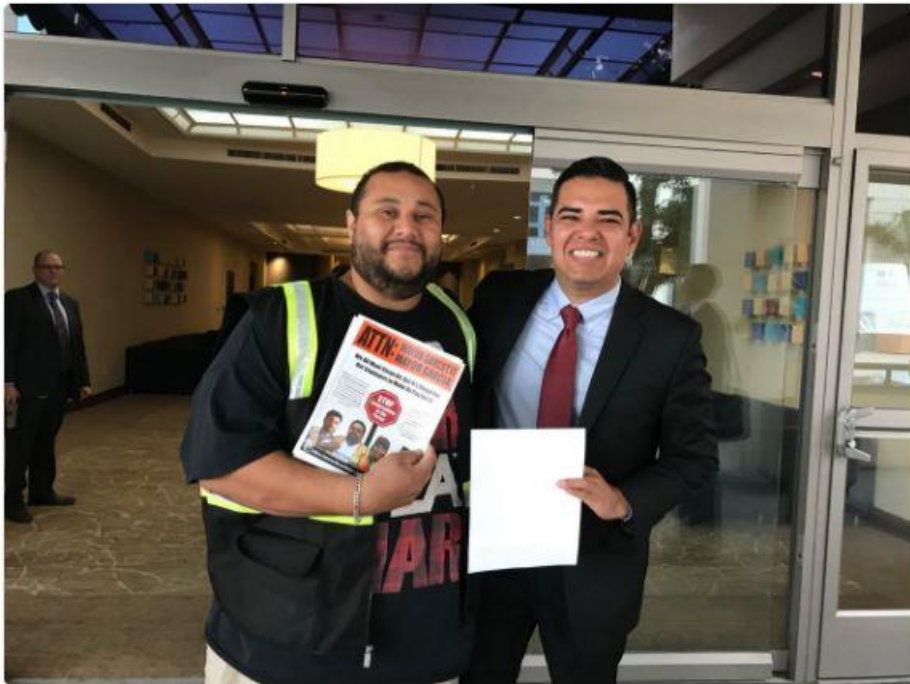
**Robert Garcia** @RobertGarciaLB · 31 Dec 2017

We must also resolve the challenges and misclassification of truck drivers that is happening at the port. Many truck drivers are not even paid a living wage. We have some great trucking companies providing good jobs, and others who are taking advantage of workers. This must end.



**Justice4PortDrivers!** @PortDriverUnion · 2 Nov 2017

Rene Flores was fired after exposing #wagetheft on @USATODAY. We need good jobs and #cleanair at @portoflongbeach now @RobertGarciaLB!



# The New York Times

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NEW YORK, WEDNESDAY, JULY 2, 1980

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## Carter Signs Bill for Deregulation of Truck Lines

WASHINGTON— President Carter signed into law today legislation cutting back Government regulation of the \$41 million interstate trucking company. He said the measure could save consumers as much as \$8 billion a year.

“This is historic legislation,” the President said. “There is no other nation on earth that depends as much on motor transportation for its economic life’s blood.”





**USA TODAY NETWORK**  
Investigative Report

# RIGGED

Forced into debt. Worked past exhaustion. Left with nothing.

## Retail giants enable trucker exploitation

Powerhouses such as Target, Costco benefit while drivers plunge into debt

### Shell games

How trucking companies that cheat drivers dodge penalties

### Asleep at the wheel

Companies risk lives by putting sleep-deprived port truckers on the road



What would you do if your paycheck looked like this after one week of work?

**GROSS PAY**  
**\$ 450.92**  
**DEDUCTIONS**  
**\$-464.98**  
**NET PAY**  
**\$-14.06**

**Total Trip Gross: \$450.92**

|                     |                    |
|---------------------|--------------------|
| Ins Cargo           | \$-25.00           |
| <del>DTR FEES</del> | <del>\$-3.85</del> |
| Fuel Deduction      | \$-33.27           |
| Fuel Deduction      | \$-71.41           |
| Fuel Deduction      | \$-76.45           |
| Ins Auto & Occ Acc  | \$-95.00           |
| Truck Lease         | \$-50.00           |
| Parking             | \$-10.00           |
| Ins PD              | \$-50.00           |
| Permit & Lic Fees   | \$-50.00           |

**Net Amount: \$-14.06**

**#WAGETHEFT**





# Persistent strikes and work stoppages threatens Port of Long Beach's reputation and customer relationships:

LOS ANGELES BUSINESS JOURNAL  
THE COMMUNITY OF BUSINESS

## Truck Drivers, Warehouse Workers Plan Strike at Ports

By Shwanika Narayan

Thursday, June 15, 2017

BUSINESS

## Port truck drivers planning 15th strike in protest of 'greedy corporations'

By CITY NEWS SERVICE | citynewsservice@scng.com |

PUBLISHED: June 15, 2017 at 8:37 pm | UPDATED: September 25, 2017 at 8:34 pm

## California port truckers end strike after 5 days

Jill Dunn | [@OverdriveUpdate](#) / June 26, 2017

Business

## LA/Long Beach Ports Truck Drivers' Strike Expands

The strike expanded to four subsidiaries of market leader California Cartage and Chinese-government owned Intermodal Bridge Transport.

By California News Wire Services, News Partner | Jun 20, 2017 12:49 pm ET



Total Terminals International, POLB  
June 6, 2017

← Back to Original Article

## Independent Truckers, Union Form a Convoy

*Transportation: A high-stakes, long-shot campaign to organize would, if successful, write a new page in labor history. But many roadblocks remain.*

May 11, 1996 | STUART SILVERSTEIN and JEFF LEEDS | TIMES STAFF WRITERS

Gray-haired and gravel-voiced, Emilio Coronado is a veteran of the simmering tensions that have sparked one strike after another by independent truckers at the sprawling Los Angeles-Long Beach port complex.

Coronado was there with his fellow drivers in 1988 when a 2 1/2-week walkout against the trucking companies turned violent and collapsed. And he was part of the loosely organized group of mainly Latino immigrant truckers that struck for 10 days in 1993 before caving in and returning to work.

Now Coronado, 57, is taking a chance on another high-stakes but long-shot labor campaign. He is one of thousands of drivers who have snarled port operations for two weeks by refusing to haul cargo for nonunion employers and have instead cast their lot with an entrepreneur struggling to get a unionized

For his part, Coronado said his last year was miserable financially. He said he grossed \$22,000 but, after business expenses, earned only about \$5,000.

"There's no hope for the future if we continue like that," he said.

Meanwhile, he's four months late on the rent for the home he and his wife and their five children share in South-Central Los Angeles. "Our kids are suffering," he said. "Used shoes. Used clothes."



# Port's short-haul truckers struggle to make living

HOME POLITICS ACT LOCAL

Originally published September 15, 2011 at 8:15 pm | Updated September 16, 2011 at 10:36 am



By [Mike Lindblom](#)   
 *Seattle Times staff reporter*



Truck drivers who serve Seattle's busy shipping port say they're losing patience with chronically low pay and poor working conditions.

International container shipments are moved by about 1,400 short-haul trucks, most driven by immigrants who take them from waterfront docks to rail yards a mile away, to Tacoma or to warehouses around Kent.

Short haulers are a crucial link in the world supply chain, but often overlooked, even as their weather-beaten trucks queue on the waterfront and clog ramp ways to the West Seattle bridges.

For years, they've asked for better working conditions and higher paychecks — even hinting at going on strike.

Abdulkader Ali talks a driver into joining the strike, at the gate to the SSA terminal in the Seattle port. (Copyright David Bacon)

WEB ONLY / FEATURES » FEBRUARY 21, 2012

## Seattle Port Strike Challenges 'Independent Contractor' Lie

Truck drivers in the Puget Sound shut down ports for two weeks—and begin to shift the balance of power.

BY DAVID BACON

Recommend

Tweet



G+

Submit

**Hotels.com™**

**Up to \$100 Rebate**

## Strike Ends At Port Of Miami

February 23, 2000 | BY DOREEN HEMLOCK Business Writer and Business Writer  
Joseph Mann contributed to this report.

The picket lines came down and cargo rolled briskly on Tuesday at the Port of Miami for the first full day in two weeks, as independent truckers ended a strike amid scattered pay accords and mounting lawsuits.

Some South Florida truck-brokers, shipping lines and even firms in the construction industry agreed to concessions to truckers, but terms varied widely. Miami-based Salom Transportation, for example,

The Port of Miami, meanwhile, reported that its losses from the strike topped \$1 million through Friday — counting only diverted cargo and lost revenues from wharfage and crane fees. Shipping lines shifted freight to such out-of-state ports as Charleston and Savannah, and also in-state to Port Everglades in Broward County, the Port of Palm Beach, Canaveral and Jacksonville.

Truckers' Strike Backlogs South Florida Businesses  
February 17, 2000

Truckers Extend Port Strike  
July 3, 2004

Strike's Cost In Millions  
February 24, 2000

Trucker protests also continued nationwide, as rigs from the Northeast streamed into Washington, D.C., on Tuesday demanding redress from Congress.

Executives welcomed the end to the strike at South Florida's busiest port. Yet they cautioned it likely would take another week to fully reduce the cargo backlog in Miami, and that higher fees for trucks likely would be passed on to shippers and eventually, consumers.





# “Senators pressure retailers to root out “shameful” labor abuse of truckers” – July 31, 2017

United States Senate  
WASHINGTON, DC 20510

July 31, 2017

Wal-Mart Stores, Inc.  
Doug McMillon, CEO  
702 SW 8<sup>th</sup> Street  
Bentonville, AR 72716

Dear Mr. McMillon:

We were gravely concerned to read the *USA Today* June 16, 2017 investigation, “Forced into debt. Worked past exhaustion. Left with nothing,” which detailed employer abuses in the port trucking industry. We were disappointed to learn companies have reportedly helped perpetuate these abuses by turning a blind eye to violations and worker mistreatment occurring at port trucking companies they write to urge you to ensure Walmart products are transported only by companies with the state and federal labor laws that protect the economic security and health of workers.

The *USA Today* investigation calls the work arrangements for many port truckers “modern-day indentured serv[itude]” and reports that companies force drivers into a lease-to-own program for their trucks, but do not allow the drivers to keep the trucks or their capital investments, if they are terminated or quit. Drivers have also been

Amazon

Costco

Goodyear

Hasbro

Home Depot

Hewlett Packard

J. Crew

J.C. Penney

LG Electronics

Neiman Marcus

Ralph Lauren

Steve Madden

Target Corp.

TJX (TJ Maxx)

UPS

Wal-Mart

3. Will Walmart publically demand higher standards among port trucking companies, which could have an immediate impact on limiting the ability of companies to abuse drivers in the manner described in the *USA Today* investigation?

We appreciate your attention to this critical issue.

Sincerely,

Sherrod Brown  
United States Senator

Elizabeth Warren  
United States Senator

Dianne Feinstein  
United States Senator

Kamala D. Harris  
United States Senator

# Retail giants enable trucker exploitation

Powerhouses such as Target, Costco benefit while drivers plunge into debt

**By Brett Murphy**

June 29, 2017

**“...It was a series of high-profile revelations that led to more oversight in overseas manufacturing operations, according to Shawn MacDonald, CEO of the international research firm [Verité](#), which produces labor and logistics studies commissioned by the federal government.**

**But workers involved in shipping deserve the same protection from the big companies that rely on their labor, MacDonald said.**

**“They’ve just never thought about this,” he said, “let alone done any due diligence.” ...”**



May 3, 2018

Mr. Frank Brown  
Audit Committee Chair  
Home Depot, Inc.  
2455 Paces Ferry Road  
Atlanta, GA 30339-4024

# Wall Street Investors Express Concern to Retailers regarding business practices

Dear Mr. Brown:

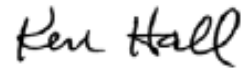
A compelling *USA Today* investigative report, “*Rigged: Forced into debt. Worked past exhaustion. Left with nothing,*” in June 2017, linked Home Depot and other U.S. retailers to port trucking companies operating in the ports of Los Angeles and Long Beach that have systematically exploited workers. The article was the first in a series documenting widespread worker abuse across the port trucking industry and exploring the role and response of retailers that rely on it. Mounting, national media attention to these unethical and potentially illegal business practices among port trucking companies has not only introduced reputational risk for Home Depot and other named retailers but has raised concerns from investors about the company’s supplier standards—how compliance is monitored and enforced. Several prominent U.S. Senators have already begun to scrutinize the role of the retailers and urged companies to take immediate action.

As long-term investors in Home Depot, we believe the board must act quickly to head off the potential risks to the company’s reputation and operational continuity by launching a comprehensive review of its contractors in order to establish whether any are out of compliance with Home Depot’s Code of Conduct.

Specifically, we urge the Audit Committee of the board undertake the following actions:

- Ensure that all suppliers, including transportation and logistics providers have been reminded of the supplier standards;
- Oversee an audit of all port trucking companies in Home Depot’s supply chain to determine if any have violated Home Depot’s vendor standards or if any use the lease-to-own model or other leasing arrangements deemed problematic;
- Terminate non-compliant vendors who fail to remedy the violations in a timely manner; and,
- Review the effectiveness of management’s practices and processes used to identify and address compliance risks in the company’s supply chains.

Sincerely,



**Ken Hall**, *General Secretary-Treasurer  
International Brotherhood of Teamsters*



**Mike Lombardo**  
*Calvert Research and Management*



**Pat Miguel Tomaino**  
*Director of Socially Responsible Investing  
Zevin Asset Management, LLC*



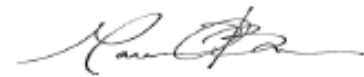
**Dieter Waizenegger**  
*Director  
CtW Investment Group*



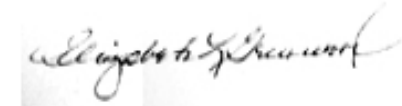
**Michael Frerichs**  
*Illinois State Treasurer*



**Chuck Mack**  
*Co-Chair Western Conference of  
Teamsters Pension Trust – Union Caucus*



**Maureen O'Brien**  
*Vice President and Corporate Governance  
Director  
Segal Marco Advisors*



**Elizabeth Greenwood**  
*Trustee Los Angeles City Employees'  
Retirement System (LACERS)*

# Beginnings of change in industry:

## THE WALL STREET JOURNAL

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <http://www.djreprints.com>.

<http://www.wsj.com/articles/truckers-at-los-angeles-port-vote-to-unionize-1436472190>

BUSINESS | LOGISTICS REPORT

# Truckers at Los Angeles Port Vote to Unionize

Short-haul truckers employed by Eco Flow in the Los Angeles and Long Beach port complexes voted unanimously to unionize, but the Teamsters still face an uphill battle to organize the wider labor pool.

By **ERICA E. PHILLIPS**

July 9, 2015 4:03 p.m. ET

# Beginnings of change in industry:

## Shippers Transport Express



- Teamsters Local 848 represents about 500 port drivers at these companies, and growing.
- But long term they cannot compete against companies that persist in violating labor laws and exploiting drivers.

# Beginnings of change in industry:



Pacific 9 Transportation, Inc

## COMPANY DRIVER USING COMPANY TRUCK

### BASE HOURLY

|                        |   |
|------------------------|---|
| PEAK SHIFT (DAY)       | \$17.00 PER HOUR (Mon - Fri 6:30 am – 4 pm )                    |
| OFF PEAK SHIFT (NIGHT) | \$19.00 PER HOUR (Mon – Thu 5pm – 2 am,<br>Sat 6:30 am – 4 pm ) |

### ADDITIONAL LOAD/EMPTY INCENTIVE

|                          |                                   |
|--------------------------|-----------------------------------|
| PREPULL                  | \$8.00 PER LOAD/EMPTY             |
| MLB (ICTF)               | \$8.00 PER LOAD/EMPTY             |
| MLB (BNSF)               | \$12.50 PER LOAD/EMPTY            |
| DELIVERIES (1-15 MILES)  | \$10.00 PER LOAD/EMPTY (EACH WAY) |
| DELIVERIES (16-30 MILES) | \$12.50 PER LOAD/EMPTY (EACH WAY) |
| DELIVERIES (31-UP MILES) | \$15.00 PER LOAD/EMPTY (EACH WAY) |
| HAZMAT                   | \$25.00 PER LOAD                  |

### BENEFITS ( benefits apply after 60 days )

|                  |   |
|------------------|---|
| MEDICAL COVERAGE | COMPANY PAYS FOR 100% OF THE EMPLOYEES HEALTH PREMIUM ( <u>KAISER</u> or <u>United Healthcare</u> ) |
| DENTAL COVERAGE  | COMPANY PAYS FOR 100% OF THE EMPLOYEES HEALTH PREMIUM   |
| VISION COVERAGE  | COMPANY PAYS FOR 100% OF THE EMPLOYEES HEALTH PREMIUM   |
| LIFE INSURANCE   | COMPANY PAYS FOR 100% OF THE EMPLOYEES HEALTH PREMIUM   |

GUARANTEE OF 40 HOURS OF PAY PER WEEK.

PAID HOLIDAYS (6 DAYS A YEAR)



Pacific 9 Transportation, Inc

## COMPANY DRIVER USING OWN TRUCK

SAME HOURLY PAY  
SAME INCENTIVE PAY  
SAME BENEFITS

### **FOR TRUCK:**

COMPANY PAYS \$0.60 CENTS PER MILE ON ODOMETER  
(MILEAGE PAID AS EXPENSE REIMBURSEMENT/ NOT WAGE)

COMPANY PAYS FOR FUEL / COMPANY FUEL ACCOUNT

COMPANY PAYS FOR INSURANCE (LIABILITY, CARGO, TRAILER INTERCHANGE, AND PHYSICAL DAMAGE).

COMPANY PROVIDES FREE SECURED PARKING.

MILEAGE REIMBURSEMENT PAID EVERY WEEK.

# Market Fragmentation Harms Industry Bargaining Power

|   | 2008      | 2012         | Present        |
|---|-----------|--------------|----------------|
| Total # Companies                                       | 1,200     | 600 (active) | 1,121 (active) |
| Market Concentration: # companies perform 50% gate move | N/A       | 37           | 75             |
| Est. Total # Drivers                                    | 16,000    | 10,000       | 16,000         |
| Active Registered Trucks                                | 16,000    | 9,100        | 13,102         |
| Aver. Company Size                                      | 13        | 16           | 11             |
| TEUs  | 6,487,816 | 6,045,662    | 7,544,507      |
| TEUs/Active Truck                                       | 405       | 664          | 576            |





# If Long Beach Takes Action, it will have national impacts

Many key trucking companies operate at many ports across the country:

- XPO Logistics
- NFI Industries/California Cartage Companies
- Intermodal Bridge Transport
- Knight Transportation
- DAMCO Distribution (dba HUDD)
- Performance Team Freight Systems
- Mayor Logistics
- Port Logistics Group
- Toll Global Forwarding

# Goals of Policy Solutions should:

- Level playing field for legally compliant companies
- Protect City's and POLB's proprietary interest, reputation and ability to successfully compete in the market for port services
- Penalize and Ban lawbreaking drayage companies from entering Port of Long Beach facilities
- Support municipal, state and federal legislative and enforcement efforts regarding misclassification and related issues.
- Implement responsible contractor policies for City procurement

**BUSH GOTTLIEB  
A Law Corporation**

Joshua Adams  
David E. Ahdoot  
Robert A. Bush  
Hector De Haro  
Megan Degeneffe  
Lisa C. Demidovich#  
Erica Deutsch  
Peter S. Dickinson+  
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801 North Brand Boulevard, Suite 950  
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www.bushgottlieb.com

Julie Gutman Dickinson  
Kiel B. Ireland  
Joseph A. Kohanski\*  
Dana S. Martinez  
Kirk M. Prestegard  
Dexter Rappleye  
Hope J. Singer  
Katherine M. Traverso

11135-1000

\* Also admitted in New York  
+Also admitted in Nevada  
#Also admitted in Washington DC

May 31, 2018

Of Counsel:  
David Adelstein

Direct Dial: (818) 973-3228  
jgutmandickinson@bushgottlieb.com

**VIA E-MAIL AND U.S. MAIL**

Lena Gonzalez  
Chair of the Tidelands and Harbor Committee  
Long Beach City Council  
E-Mail: district1@longbeach.gov

Re: The Port Trucking Crisis, Misclassification of Drivers as Independent Contractors,  
Exploitation of Drivers and Warehouse Workers, and Finding Solutions That Protect the  
Port of Long Beach's Proprietary Interests

Honorable Chair Gonzalez and Members of the Long Beach City Council:

Our office represents the International Brotherhood of Teamsters, Port Division and Teamsters Local 848 (jointly referred to as "Teamsters"), along with hundreds of port truck drivers and warehouse workers that operate at the Port of Long Beach (the "Port"). This letter provides details regarding the untenable conditions facing the obviously misclassified workers at the Port and the growing labor unrest among drivers and warehouse workers that is damaging the Port's reputation and its proprietary interests. Throughout the five years that we have represented the Teamsters and drivers at the Port, we have seen these appalling conditions firsthand.

Notwithstanding our legal victories, and uniform findings that port truck drivers are employees who have been misclassified as independent contractors, Port trucking companies continue take advantage of every opportunity to deprive these workers of their rights under Federal, State, and even local laws and ordinances meant to protect the community members who work at these locations.

We recognize that some of these matters are outside the control of the City of Long Beach's (the "City") jurisdiction. As detailed below, however, there is no denying that the frustration amongst drivers and other workers, due to the impact of misclassification, directly impacts the City's proprietary interest in the operation of its Port and, to the extent the City contracts with companies involved, makes the City complicit in this unlawful behavior. We urge the Council to take all steps necessary both to protect its proprietary interest in the Port and to assure that City resources are not being used to support law-breaking.



## VIA E-MAIL AND U.S. MAIL

Lena Gonzalez

May 31, 2018

Page 2

The Ports of Long Beach and Los Angeles represent significant economic drivers for all of Southern California. Nearly one third of our nation's cargo flows through these Ports, and hundreds of thousands of individuals are employed either at the Ports or in related industries. As the City moves forward in improving working conditions generally, it is paradoxical that large sectors are being left behind in what has been described as "indentured servitude" and "sweatshops on wheels" at the Port. Prominent and reputable organizations<sup>1</sup> have detailed these problems, describing unsafe working conditions, wage theft, misclassification, over-exhaustion leading to safety concerns, and the violation of workers' right to collectively bargain to improve their working conditions. There is no question that these grave issues lead to driver frustration and labor unrest, negatively affecting the Port's proprietary interest, including its ability to retain and increase the amount of cargo it processes.

Our office has worked with both truck drivers and warehouse workers at the Ports who are successfully challenging their misclassification in various forums, such as the National Labor Relations Board ("NLRB"), the U.S. Department of Labor ("DOL"), federal and state courts, the California Division of Labor Standards and Enforcement ("DLSE"), and the California Employment Development Department ("EDD"). The persistence of this issue, and the commonalities across the industry that have led to a perfect win record when challenging misclassification on behalf of port drivers, makes clear the need for systemic repair. The City of Long Beach can play its role in addressing this problem by focusing on and addressing the issues that directly impact its proprietary interests and the Port's reputation.

It is important to note that this is not a recent development. Even before the clean truck program, drivers made historically low wages, were made to finance the equipment used, and were incorrectly labeled as "independent contractors" who were stripped of all their rights.<sup>2</sup> While the clean truck program was necessary for environmental reasons, because old trucks contributed to poor air quality, asthma, cancer and lung disease, the clean truck program also made the situation for drivers even worse. Port drivers had no means of purchasing clean truck compliant equipment and were forced into debt peonage through predatory leases hoisted on them by their employers. If these mostly Latino immigrant drivers wanted to work and survive, they had to accept the convoluted and confusing leasing arrangements pushed by their employers.

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<sup>1</sup> Including, in part, the National Employment Law Project (NELP), the Los Angeles Alliance for a New Economy ("LAANE"), the Teamsters, and even large news organizations like USA Today.

<sup>2</sup> CGR Management Consultants, *"A Survey of Drayage Drivers Serving the San Pedro Bay Ports, prepared for Gateway Cities Council of Governments"* (Mar 2007); Kristen Monaco, *"Wage and Working Conditions of Truck Drivers at the Ports of Long Beach and Los Angeles"* (2008); Kristen Monaco, *"Incentivizing Truck Retrofitting in Port Drayage: A Study of Drivers at the Ports of Los Angeles and Long Beach"* (Feb 2008); Kristen Monaco & Lisa Grobar, *"A Study of Drayage at the Ports of Los Angeles and Long Beach"* (2004).

## VIA E-MAIL AND U.S. MAIL

Lena Gonzalez

May 31, 2018

Page 3

Employers shifted every single operating expense possible onto these drivers, to the point that some drivers would put in full weeks at work and receive paychecks for a few cents or even end up in debt because of these unlawful deductions. Some companies even pocketed subsidy money they received, and leased the trucks back to their drivers at full market value. All of this was accomplished through the fiction that these drivers were independent contractors and therefore not subject to any labor or employment law protections.

In reality, these drivers spent years working for a single employer doing work at the very core of the employer's operations. These employers had complete control over how much the drivers earned, how much work each driver received, what loads each driver would deliver, and even how the containers would be loaded and unloaded. Employers disciplined drivers for failing to follow instructions, and often found ways to terminate drivers before those drivers could pay off their truck, meaning that the drivers would lose the years of lease payments they had made. In other words, these drivers in no way operated as independent businesses.

We are increasingly seeing more and more port drivers challenging this system and winning in all forums, despite intense retaliation by the employers who see their unlawful advantage starting to disappear. In front of the DLSE, we have worked with port truck drivers who have been found to be misclassified in over 400 cases, and the DLSE has awarded over \$45 million in stolen wages and penalties to these drives. No higher court has overturned any of these cases on appeal. Similarly, the EDD has found in each of at least 45 cases that have come before it, that port drivers were actually employees and not independent contractors. In the courts, more than 3500 misclassified port truck drivers in the Long Beach-Los Angeles area have been a part of over 30 class action cases filed against Port trucking companies and/or dozens of individual or "mass-action" suits, some of which have settled and some of which remain pending.<sup>3</sup> Even the DOL,<sup>4</sup> the California Attorney General,<sup>5</sup> and the City of Los Angeles<sup>6</sup> have brought cases against Port trucking companies guilty of pervasive misclassification.

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<sup>3</sup> Nearly all private litigation settles for monetary compensation significantly below what is owed drivers, and without injunctive relief to end misclassification. Our law firm recently filed a class action/Private Attorney General Action in California Superior Court in the matter of *Alvarez v. XPO Logistics Case No. BC695123* (filed February 26, 2018), where the drivers we represent have made clear that they will not settle for less than injunctive relief to enjoin and put a permanent stop to systemic and deliberate misclassification of port and rail truck drivers at XPO's facilities .

<sup>4</sup> See e.g., *Thomas E. Perez, v. Shippers Transport Express, Inc.*, Case No. 2:13-cv-04255-BRO-PLA (2014) (consent judgement available at <https://www.dol.gov/sol/regions/SF/Shippers.pdf>);

<sup>5</sup> *The People of the State of California v. Pac Anchor*, Case No. BC397600 (trial scheduled for September 11, 2017)

<sup>6</sup> *The People of the State of California v. CMI Transportation*, Case No. BC689321; *The People of the State of California v. K&R Transportation*, Case No. BC689322; *The People of the State of California v. California Cartage Express*, Case No. BC689320

## VIA E-MAIL AND U.S. MAIL

Lena Gonzalez

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In front of the NLRB, drivers are having similar success. In one of the cases our firm handled, drivers obtained a monumental injunction in federal district court ordering the employer to reinstate terminated drivers who had been misclassified as independent contractors<sup>7</sup>. An NLRB judge later issued a decision confirming that these drivers were in fact misclassified and that they had been terminated for joining together with their coworkers to improve their working conditions.<sup>8</sup> More recently, another NLRB judge found that an employer had misclassified its drivers and committed various unfair labor practices.<sup>9</sup> What made that case groundbreaking is that the judge found, based in part on arguments made by our firm, that the mere act of misclassification interferes with an individual's right to act collectively with his coworkers.<sup>10</sup> California has also experienced a similar shift towards protecting workers rights, with the Supreme Court clarifying the proper test for determining whether a worker is an independent contractor.<sup>11</sup> These legal victories, however, have not solved the problem as employers continue to violate the law with impunity.

The persistence of misclassification and the system of indentured servitude it creates has led to growing frustration amongst port truck drivers. We recognize that the City is not in a position to take sides in particular litigation, but it is important to acknowledge that the frustration felt by drivers directly impacts the operation, reputation, and image of the Port. There have been 15 strikes at the Ports of Long Beach and Los Angeles with more looming on the horizon as worker exploitation continues to run rampant. History here and at other ports demonstrates that delayed and diverted cargo resulting from labor unrest negatively affects the Port of Long Beach's operations and its ability to protect its proprietary interest. Moreover, USA Today articles and other news articles throughout the nation highlight this system of indentured servitude and the resulting strikes and work stoppages, which threatens the Port's reputation and customer relationships.

Although the Long Beach City Council cannot fix all these issues unilaterally, it undeniably has authority to take steps to comprehensively address the threat to its proprietary interest and to assure that City programs do not facilitate a system which relies on the exploitation of workers. The Teamsters, and the port drivers they represent, urge the City Council to take every single step possible to address this endemic problem leading to labor unrest that threatens to severely damage the Port's reputation. Policy solutions should level the playing field for legally compliant

---

<sup>7</sup> *Garcia v. Green Fleet Sys., LLC*, No. CV 14-6220 PSG JEMX, 2014 WL 5343814, at \*1 (C.D. Cal. Oct. 10, 2014).

<sup>8</sup> *Green Fleet Sys.*, 21-CA-100003, 2015 L.R.R.M. (BNA) ¶ 180798 (NLRB Div. of Judges Apr. 9, 2015).

<sup>9</sup> *Intermodal Bridge Transp.*, JD(SF)-48-17, 2017 WL 5852765 (Nov. 28, 2017).

<sup>10</sup> *Id.* The Board itself has now accepted amicus and supplemental briefs on this issue.

<sup>11</sup> *Dynamex Operations W., Inc. v. Superior Court*, 4 Cal. 5th 903, 416 P.3d 1 (2018).

**VIA E-MAIL AND U.S. MAIL**

Lena Gonzalez

May 31, 2018

Page 5

companies; protect the City and Port of Long Beach's proprietary interest, reputation and ability to successfully compete in the market for port services; and implement responsible contractor policies for city procurement. Our office, the Teamsters, and hard-working and courageous port truck drivers and warehouse workers stand ready to provide any additional information or to further discuss the steps Long Beach can take to tackle these problems.

Thank you for your attention to this critical matter.

Very truly yours,

Bush Gottlieb  
A Law Corporation



Julie Gutman Dickinson

cc: Fredrick Potter, Int'l Vice President & Port Director, Int'l Brotherhood of Teamsters  
Eric Tate, Secretary-Treasurer, Teamsters Local 848  
Mike Manley, Counsel, Int'l Brotherhood of Teamsters, Washington, D.C.



# Port driver misclassification



Presentation to Long Beach City Council Tidelands Committee

Jessica Durrum, Director, LAANE Ports Project

May 31, 2018



# LAANE coalition building: OUR PEOPLE OUR PORT





# LAANE legal advocacy and research





# The legal system has weighed in: Port drivers are employees





# California wage & hour laws (DLSE): claims





# California wage & hour laws (DLSE): claims



# California wage & hour laws (DLSE): decisions

1  
2  
3 ROMEO GARCIA )  
4 Plaintiff )  
5 vs. )  
6 )  
7 SEACON LOGIX, INC. )  
8 )  
9 Defendant, )  
10 )

9 The formation of independent contractor agreements signed by its drivers can be  
10 and is often a subterfuge to avoid paying payroll taxes and income taxes and to avoid  
11 paying workers compensation liability. An independent contractor agreement is often a  
12 consequence of independent contractor relationship not means of proving. The fact  
13 that a person who provides services is paid as an independent contractor, that is,  
14 without payroll deductions and with income reported by an IRS form 1099 rather than a  
15 W-2, is of no significance whatsoever in determining employment status. The employer  
16 cannot change the status from that of an employee to one of an independent contractor  
17 by illegally requiring the employee to assume a burden that the law imposes directly on  
18 the employer, that being, withholding payroll taxes and reporting such withholdings to  
19 the taxing authorities.

20 The existence of a written agreement purporting to establish an independent  
21 contractor relationship is not determinative. The Labor Commissioner and courts will  
22 look behind any such agreement in order to examine the facts that characterize the  
23 parties' actual relationship and make their determination as to employment status  
24 based upon their analysis of such facts and application of the appropriate law.

25 Donovan v. Sureway Cleaners 656 F.2D 1368 (EE) (9th Cir. 1981). FLSA case  
26 "Economic reality" test under FLSA requires independent contractor to be separate

11 **BACKGROUND**  
12 The Plaintiff filed an initial claim with the Labor C  
13 21, 2011. The complaint raises the following allegations:  
14 1. Unauthorized deductions: reimbursemen  
15 October 6, 2010 to April 12, 2011, truck lease payments, \$  
16 \$5,200.00, fuel \$8,585.90, in the amount of \$25,485.90, and  
17 2. Interest pursuant to California Labor Code § 98.1, and

# California wage & hour laws (DLSE): decisions upheld by courts upon appeal

Filed 7/16/15; pub order 7/30/15 (see end of opn.)

IN THE COURT OF APPEAL OF THE STATE OF CALI  
SECOND APPELLATE DISTRICT  
DIVISION FOUR

ROMERO GARCIA et al.,

Plaintiffs and Respondents,

v.

SEACON LOGIX, INC.,

Defendant and Appellant.

B248227

(Los Angeles Count  
Super. Ct. No. NS0

APPEAL from a judgment of the Superior Court of Los Ang  
Michael P. Vicencia, Judge. Affirmed.

Prima Law Group, Inc., Naveen Madala, Kevin H. Sun and  
Defendant and Appellant.

State of California, Department of Industrial Relations, Division of Labor

## 9. Conclusion

Taking into consideration all of the above factors, the trial court's reasoning is unassailable: substantial evidence proves that the balance of the secondary factors, like the primary factor of control, supports the finding that respondents were employees, not independent contractors.

## II. *Seacon Forfeited the Issue of the Amount of Damages*

Seacon contends that the trial court erred in determining the amount of damages by including compensation for clean truck fees and fuel surcharges. However, Seacon has forfeited this issue on appeal by failing to raise it in the trial court. (*People v. JTH Tax, Inc.* (2013) 212 Cal.App.4th 1219, 1232.) In its reply brief, Seacon contends that it did raise the issue in the trial court, citing numerous



# California wage & hour laws (DLSE): Anti-SLAPP ruling defending driver's right to file claim

RECEIVED  
JUL - 1 2015  
Kaiser Swindells & Eiser

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES**

|                         |                |           |                              |          |
|-------------------------|----------------|-----------|------------------------------|----------|
| DATE: 06/26/15          |                |           |                              |          |
| HONORABLE WILLIAM BARRY | JUDGE          | A. EASLEY | DEPT. SC B                   |          |
| HONORABLE               | JUDGE PRO TEM  |           | DEPUTY CLERK                 |          |
| NONE                    | Deputy Sheriff | NONE      | ELECTRONIC RECORDING MONITOR | Reporter |

---

|         |                                 |                      |                |  |
|---------|---------------------------------|----------------------|----------------|--|
| 4:00 pm | TC028059                        | Plaintiff<br>Counsel |                |  |
|         | STERLING EXPRESS, INC,          |                      | NO APPEARANCES |  |
|         | VS                              | Defendant<br>Counsel |                |  |
|         | JOHEL CLIMACO VALENCIA, ET-AL   |                      |                |  |
|         | *RELATED TO TC028058 AND TC0280 |                      |                |  |

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**NATURE OF PROCEEDINGS:**

RULING ON SUBMITTED MATTER;

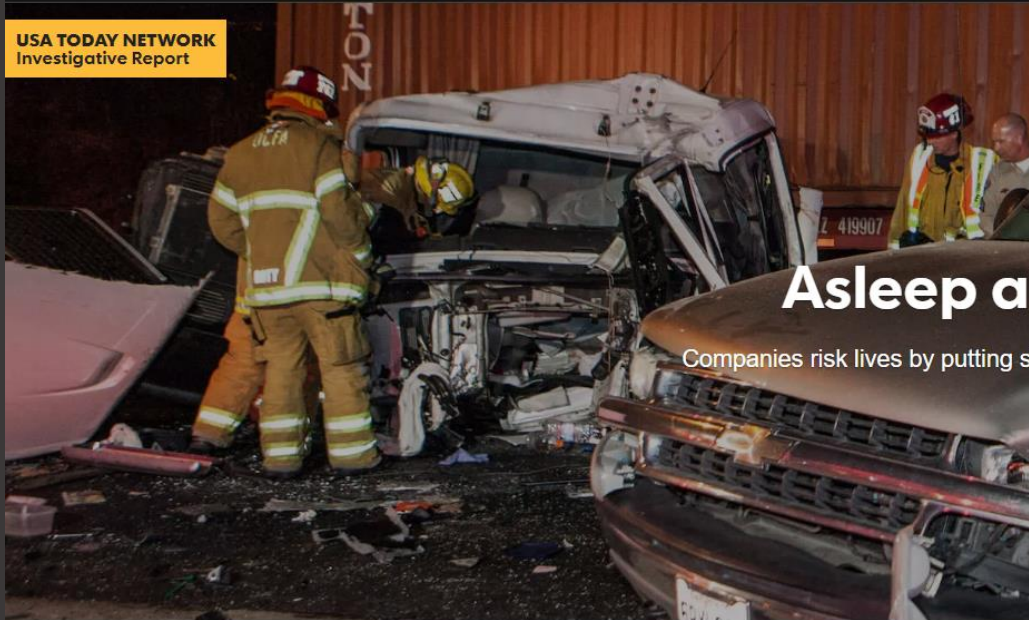
The Court rules on defendant's motion to strike the Complaint pursuant to Code of Civil Procedure 425.16. See attached conformed copy.

The motions to strike are granted.

# State & Federal Health & Safety laws

RIGGED PART 1 PART 2 PART 3 PART 4

USA TODAY NETWORK  
Investigative Report



## Asleep at the wheel

Companies risk lives by putting s

By Brett Murphy

December 28, 2017

Reporters shared their results and methodology with researchers who have been studying commercial trucking safety for years at Michigan State University.

Professor Yemisi A. Bolumole said the analysis makes clear that safety laws have not been enforceable because “we are relying on carrier or driver honesty.”

At the request of the USA TODAY Network, Bolumole’s fellow researcher, Jason Miller, reviewed federal Department of Transportation data on safety and maintenance citations from a sample of large trucking companies across the country.

He found that port trucking is consistently one of the most dangerous sectors in the industry. Its drivers are almost 50 percent more likely to break hours-of-service rules than the industry average.

“It’s mind-boggling,” Miller said.



# US Wage and Hour laws (DOL)

10 Attorneys for Plaintiff, Thomas E. Perez,  
11 Secretary, U.S. Department of Labor

## CONSENT JUDGMENT & ORDER

Page 8 of 33

12 UNITED STATES DISTRICT COURT

13 CENTRAL DISTRICT OF CALIFORNIA

Case 2:13-cv-04255-BRO-PLA Document 146 Filed 11/17/14 Page 9 of 33 Page ID #:2542

15 THOMAS E. PEREZ, Secretary of  
16 Labor, United States Department  
of Labor,

17 Plaintiff,

18 v.

19 SHIPPERS TRANSPORT EXPRESS,  
20 INC., a corporation,

21 Defendant.

2. Defendant shall properly reclassify all Misclassified Employees and any other present or future Drivers at its Oakland facility (or any future facility should the current Oakland facility cease operations), as well as all Drivers at Defendant's other California facilities (including its facility located in Carson, California, or any future facility should the current Carson facility cease operations), as employees by no later than sixty (60) calendar days from the date of entry of this Consent Judgment ("Reclassification Date") (the period from August 20, 2009 to the Reclassification Date is hereafter referred to as the "Subject Period").

22  
23 Plaintiff, THOMAS E. PEREZ, Secretary of  
24 Labor ("Plaintiff" or the "Secretary"), and  
25 ("Defendant" or "Shippers") have agreed,

26 civil action and consent to the entry of this consent judgment ("Consent Judgment" or  
27

## Analysis

### VI. IBT's Misclassification of the Lease Driver's Standing Alone is a Violation of Section 8(a)(1)

After reaching the conclusion that the lease drivers were misclassified, the first question that arises is whether this misclassification is merely a mechanism which triggers the applicability and protections of the Act or if the misclassification itself can constitute a violation. General Counsel argues that an independent violation exists but cites no direct authority for the proposition. Instead, citing *Parexel International, LLC*, 356 NLRB 516, 519 (2011), General Counsel argues that the Board has held in other cases that conduct similar to misclassification that serves to chill future activity or can be used as a "preemptive strike" to prevent employees from engaging in protected and concerted activity violates Section 8(a)(1) of the Act because of its "chilling effect" on employees' future exercise of their rights. Without question, by misclassifying, the employer intends, "the very consequences which foreseeably and inescapably flow from his actions." *Erie Resistor*, 373 U.S. 221, 228 (1963). From a practical standpoint misclassification not only serves to chill future concerted activity as asserted by the General Counsel but essentially deprives and conceals available protections these employees have under the Act. Interference and restraint of Section 7 rights flows directly from misclassification. As such, I find that misclassification rises to the level of a *per se* violation of Section 8(a)(1).<sup>15</sup>

### VII. Other Unlawful Practices

#### (A) Interrogation, Surveillance, Promise of Better Work for Abandoning Union Activity, Threatening Lease Drivers with Unspecified Reprisals

##### (1) Interrogation

In determining whether an interrogation is coercive in violation of Section 8(a)(1), the Board applies a totality of the circumstances test which considers whether under all circumstances the interrogation reasonably tends to restrain, coerce, or interfere with rights guaranteed by the Act. *Bloomfield Health Care Center*, 352 NLRB 252 (2008). Relevant factors for consideration were

UNITED STATES OF AMERICA  
BEFORE THE NATIONAL LABOR RELATIONS BOARD  
DIVISION OF JUDGES – SAN FRANCISCO

INTERMODAL BRIDGE TRANSPORT

AND

CASES

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

*Ami Silverman, Esq., and Sanam Yasseri, Esq.,*  
for the General Counsel.

*A. Jack Finklea Esq., and Donald J. Vogel Esq.*  
*(Scopelitts, Garvin, Light, Hanson & Feary, P.C.),*  
for the Respondent.

*Julie Gutman Dickinson, Esq. and Hector De Haro, Esq.,*  
for the Charging Party.

DECISION

STATEMENT OF THE CASE

**DICKIE MONTEMAYOR, Administrative Law Judge.** This case was tried before me beginning on August 22, 2016, with trial testimony concluding on December 7, 2016. Charging Party filed a charge (the allegations which comprise Case Number 21-CA-157647) on August

# Unfair Competition Law enforcement: CA Attorney General

## IN THE SUPREME COURT OF CALIFORNIA

THE PEOPLE ex rel. KAMALA D. HARRIS, as Attorney General, etc.,  
  
Plaintiff and Appellant,  
  
v.  
  
PAC ANCHOR TRANSPORTATION, INC., et al.,  
  
Defendants and Respondents.

S194388  
  
Ct.App. 2/5 B220966  
  
Los Angeles County  
Super. Ct. No. BC397600

---

The narrow question presented is whether an action under the unfair competition law (Bus. & Prof. Code, § 17200 et seq. (UCL)) that is based on a



# Unfair Competition Law enforcement: LA City Attorney

## THE WALL STREET JOURNAL.

Home World U.S. Politics Economy **Business** Tech Markets Opinion Life & Arts Real Estate WSJ. Ma

**BUSINESS** | LOGISTICS REPORT

### Los Angeles City Attorney Sues Port-Trucking Firms Over Worker Classification

Lawsuits asks that companies compensate drivers for back pay and pay civil penalties of up to \$2,500 per violation



# In sum...

- State enforcement
  - Division of Labor Standards Enforcement (DLSE)
  - Employment Development Department (EDD)
  - California Occupational Safety and Health Administration (Cal/OSHA)
  - CA Attorney General
- Federal enforcement
  - Department of Labor (DOL)
  - National Labor Relations Board (NLRB)
- City enforcement
  - Los Angeles City Attorney

# Yet the misclassification continues...



## Settlement Statement

Owner ID: 22189

Owner: GAITAN, NAPOLEON

Settlement Dates: 5/2/2018 3:07:48 PM -  
5/9/2018 3:27:07 PM

### Open Balances

#### Settlement

\$0.00

### Settlements

| Unit   | ProNo             | Equipment# | Account | Net Price |
|--------|-------------------|------------|---------|-----------|
| 173037 | 173-067530-001-01 | XPOU410006 | SCFUEL  | \$8.40    |
|        |                   |            | TRUCK   | \$35.00   |
| 173037 | 173-067424-001-02 | XPOU412474 | SCFUEL  | \$20.04   |
|        |                   |            | TRUCK   | \$83.50   |
| 173037 | 173-065404-001-03 | XPOU414180 | SCFUEL  | \$14.16   |
|        |                   |            | TRUCK   | \$59.00   |
| 173037 | 173-065404-001-01 | XPOU414180 | DRDETN  | \$66.00   |
|        |                   |            | SCFUEL  | \$5.28    |
|        |                   |            | TRUCK   | \$22.00   |
| 173037 | 173-066985-001-02 | XPOU411789 | TRUCK   | \$101.50  |
|        |                   |            | SCFUEL  | \$24.36   |
| 173037 | 173-067530-001-03 | XPOU410006 | SCFUEL  | \$5.28    |
|        |                   |            | TRUCK   | \$22.00   |
| 173037 | 173-066322-001-01 | XPOU412562 | DRDETN  | \$110.00  |
|        |                   |            | TRUCK   | \$22.00   |
|        |                   |            | SCFUEL  | \$5.28    |
| 173037 | 173-065404-001-02 | XPOU414180 | SCFUEL  | \$18.84   |
|        |                   |            | TRUCK   | \$78.50   |
| 173037 | 173-067530-001-02 | XPOU410006 | SCFUEL  | \$18.84   |
|        |                   |            | TRUCK   | \$78.50   |
| 173037 | 173-067424-001-01 | XPOU412474 | TRUCK   | \$43.00   |
|        |                   |            | SCFUEL  | \$10.32   |
|        |                   |            | DRDETN  | \$55.00   |
| 173037 | 173-067424-001-03 | XPOU412474 | SCFUEL  | \$5.28    |



# Drivers taking action







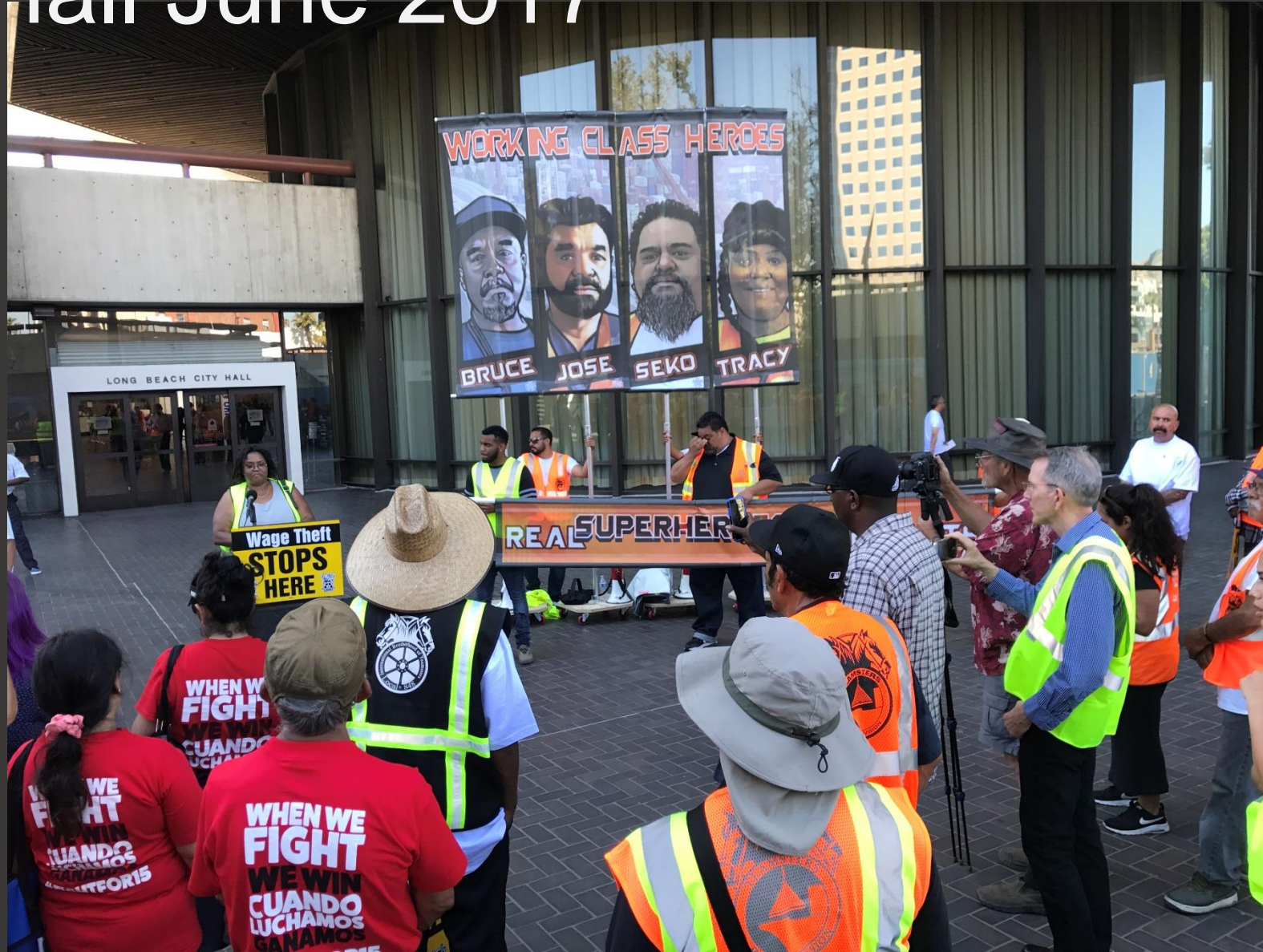


# Drivers sharing their stories with community, Nov 2017





# Drivers and community partners at LB City Hall June 2017





# Drivers and community partners sharing testimony at LB City Hall hearing on wage theft July 2015

