



OWNER-OPERATORS

CALIFORNIA SUPREME COURT DECISION THREATENS YOUR RIGHT TO EXIST

A recent California Supreme Court decision has established what is termed an A-B-C test for proper employment classification within the state. In order for you to be classified as an independent contractor (owner-operator/sub-hauler), three tests **MUST** be passed. Fail one and you are classified as an employee. The second part of the test is virtually impossible for most to pass. The three tests are:

- A. That the worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact; and
- B. That the worker performs work that is outside (different then) the usual course of the hiring entity's business; and
- C. That the worker is customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed.

Most owner-operators (regardless of name such as sub-haulers, pullers, full-unit etc.) who contract their work through brokers/motor carriers cannot pass the "B" part of the test because both are in the business of trucking and would therefore be under state labor law classified as an employee of the broker/motor carrier and will lose their independence!

WHAT CAN YOU DO?

The Western States Trucking Association (WSTA) has filed a federal lawsuit to protect your ability to continue to operate as an independent businessperson. Filing the lawsuit is just the start of the litigation effort.

The association is also aggressively engaged in trying to work toward a legislative fix that would nullify the Supreme Court decision at least temporarily through the "I'm Independent Coalition".

You have invested heavily in a new truck, trailer, authority, licensing, taxes, insurance, drug-testing and much more. By contributing to the WSTA legal fund or becoming a member or better yet, both, you can help us fight this fight!

WSTA is a 78 year old non-profit trucking association based here in California where 45 percent of our approximate 1,000 active members own/operate just one-truck. We offer many useful benefits and services to small businesses.

Again, your help is needed in order to protect your right to exist.

To contribute and/or join the association, please complete the attached forms. You can also go online to the association website at westrk.org to join, contribute or learn more about all of our Dynamex Decision efforts.