



July 21, 2022

Open Letter Re: AB5 Protest

Dear Port of Oakland Trucking Partners:

I want to acknowledge that, earlier today, I met with some representatives of the truckers protesting at the Port of Oakland. I appreciated hearing their concerns and their expressed objectives. We also discussed the protest's impacts on jobs and operations at the Port and path forward to returning to full operations at the Port of Oakland.

I understand the frustration over AB5. WE HEAR YOU. We have heard you since day one of your protest action.

During the meeting, I emphasized that it is important to return the Port to full operations now! Prolonged stoppage of port operations at Oakland for any reason interferes with commerce, increases congestion, and harms business for everyone. Disruptions in truck movements and moving cargo drive customers away and prompt them to consider taking their business to ports outside California. We do not want to see the loss of business and jobs here. The Port of Oakland is a major economic engine for Northern California, and we want to keep our jobs here.

In recognition of the importance of maintaining continued opportunity for truckers at the Port, we are committed to working with our independent trucking community. The Port of Oakland will commit to the following:

- 1) I and other Port representatives have been in continuous dialogue with State officials, including the Governor's office, about the need for resources for the trucking community. We will continue to be a liaison between our trucking community and the State. To this end, the Governor's office has provided a statement with a list of resources the State has and will make available to truck drivers. The statement is below. In the statement, the Governor's office says:

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“California is committed to supporting our truck drivers and ensuring our state’s truck drivers receive the protections and compensation they are entitled to. . . The State will continue to partner with truckers and the ports to ensure the continued movement of goods to California’s residents and businesses, which is critical to all of us.”

- 2) We will work with relevant state agencies to make sure that truckers can access all resources offered by the State related to AB5 (Assembly Bill 5) implementation and other programs. The statement below from the Governor’s office lists some of these available resources.

- 3) We will establish a working group made up of Port and independent trucker representatives serving Port of Oakland to provide a mechanism for:
 - a. Reviewing concerns regarding implementation of AB 5;
 - b. Addressing trucker amenities and services here at the Port of Oakland; and
 - c. Discussing upcoming state clean truck rules and implementation.

We must all get back to normal operations!

We support your first amendment right for peaceful demonstration. However, as we discussed, even before your demonstrations began, the supply chain locally to globally was already congested.

We respectfully ask that each independent owner/operator cease any further protest activity that disrupts Port operations and the flow of commerce at the seaport.

To accommodate this request and promote the safety and security of all port visitors, we have set aside specific areas for truckers to publicly express their opinions. These designated safe protest areas are identified in the Free Speech Zone Map (see below). All protestors will be directed to these specific Free Speech Zone areas. No vehicles may obstruct any entrances or exits to terminal operations or any other maritime business areas.

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Owner/operators must comply with all vehicular and local regulations. Any protester who does not comply with the law may be cited and penalized by the responsible law enforcement agencies.

Again, I thank you for your meeting with me to discuss your concerns and objectives. I look forward to working with truckers to ensure continued operations at the Port.

Sincerely,

A handwritten signature in blue ink, appearing to read "Danny Wan", with a long, sweeping horizontal flourish extending to the right.

Danny Wan
Executive Director

Statement of the Office of the Governor

Widespread misclassification in the industry led to the California Supreme Court's unanimous Dynamex ruling in 2018, creating the ABC test to classify employees and independent contractors. That decision was codified into state law in AB 5, with the support of the Legislature and workers.

Although it has been the subject of litigation, AB 5 was enacted in 2019, creating sufficient time for affected parties to understand the requirements of the law.

California is committed to supporting our truck drivers and ensuring our state's truck drivers receive the protections and compensation they are entitled to. This administration has employment tax incentives, small-business financing, and technical assistance resources to support this essential industry. The industry should also move forward in supporting this transition.

The state will continue to partner with truckers and the ports to ensure the continued movement of goods to California's residents and businesses, which is critical to all of us.

Additional information regarding the resources California has made available to help truck drivers, support small businesses and strengthen our supply chain:

This year's budget includes a 12 month pause, effective October 1, 2022, on the general fund portion of the sales tax rate on diesel fuel.

The Labor & Workforce Development Agency has taken several prior and ongoing actions to provide guidance to employers and workers regarding AB 5, since its passage in 2019.

- Provides extensive information on AB 5 compliance at their online ["Employment Status" portal](#)
- Continues to work with industry stakeholders that request assistance in complying with the law. Technical assistance is available on a case-by-case basis via the Department of Industrial Relations and EDD.
- Advances targeted outreach of available resources to businesses statewide.

The California State Transportation Agency continues to work extensively to monitor and strengthen the supply chain.

- Caltrans issued temporary permits allowing trucks to carry heavier loads between ports and distribution centers through December 31, 2022.
- DMV has doubled their capacity to conduct commercial driving tests and invested \$40 million in the budget to sustain increased processing levels to support the availability of truck drivers and strengthen the supply chain.

The Governor's Office of Business & Economic Development (GO-Biz) assists businesses in navigating state tax incentive programs, financing options, and resources from local economic development partners. This includes businesses that are seeking to add or retain employees, as well as individuals who are considering establishing their own business authority for the very first time.

- **GO-Biz:** Provides tailored no-cost consultation to all businesses of any size in California for navigating and utilizing state incentive programs through GO-Biz's business investment services. Examples of incentives and programs in California shared with businesses in this space:
 - **California New Employment Credit (NEC):** This credit is an income tax credit for specific new hires. The credit is based on 35% of qualified wages or wages between 150% and 350% of minimum wage.
 - **Work Opportunity Tax Credit (WOTC):** This credit promotes the hiring of individuals who qualify as members of target groups, by providing a federal tax credit incentive of up to \$9,600 for employers who hire them.
 - **California Competes Tax Credit (CCTC):** This is a corporate income tax credit and is for companies looking to create new jobs and investments in California.
- **California Office of the Small Business Advocate (CalOSBA):** Provides resources for those looking to start-up a small business in California, including connection to local small business development centers, resources on accessing financing, and designing a business plan.

- **State Small Business / Start-Up Financing:** If Californians are interested in starting their own operation, the state offers a lot of financing options through the Infrastructure and Economic Development Bank (IBank) and the State Treasurer's Office. Small Business Development Centers or state-approved small business lenders can help potential new businesses navigate these options. Incentives – Financing:
 - **CalCAP Collateral Support**: This program pledges cash to cover the collateral shortfall of a loan made by a participating lender to enable financing that otherwise might not be available to a small business.
 - **CalCAP for Small Business**: This program provides financing to small businesses that have difficulty obtaining financing.

California Small Business Loan Guarantee/Disaster Loan Guarantee: This program partners with Financial Development Corporations to provide loan guarantees for eligible small businesses