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Congress of the United States
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July 14, 2022

The Honorable Gavin Newsom
Governor
State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Dear Governor Newsom:

We write again to express our deep concerns with the imposition California Assembly Bill 5 (AB5) is having on our local and national economies. In November, we urged you to declare a State of Emergency at our ports and across the goods transportation and storage distribution chain. The Ports of Long Beach and Los Angeles are responsible for more than 40% of container imports and 30% of exports in the United States. The continued backlog of goods - expected to last into 2023 - is still driving economic concerns and record high prices.

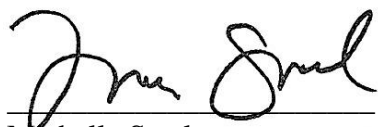
Last week, the U.S. Supreme Court denied a petition that leaves a reported 70,000 independent truckers with serious doubts about whether they can continue to operate inside our state. This creates a legal mess made by the State of California. Not only could this be devastating to California, but it may be catastrophic for the United States and will only drive prices higher. On top of record-high inflation, the last thing American families need are higher costs.

AB5 continues to restrict the ability of Californians to work as independent contractors. This law creates a chilling effect for many supply chain industries and makes it more difficult for independently contracted truck drivers to operate, leading many to leave California. Without enough truckers, cargo will continue to sit at the ports waiting to be delivered. We must allow for truckers in California to work as independent contractors.

Other essential California industries will also be impacted by this ruling. California farmers are entering peak harvest season and are already facing enormous challenges. Amidst record drought, their products are sitting at backlogged ports waiting to be shipped. Instead of being on grocery store shelves, fresh food is spoiling because of California's failed policies. The construction industry has overcome the pandemic and is starting to boom, supply chain shortages as well as increasing costs for labor and material are contributing to the historic spikes in costs.

The entire nation relies on the efficient movement of goods through California's ports to feed and clothe their families. It is critical that you take action to ensure that this recent ruling will not add burdens to our already-crippled supply chains. Our constituents and local small businesses want to see this crisis resolved before they are further overwhelmed by broken supply chains, skyrocketing inflation, and the unacceptable state of our economy.

Sincerely,



Michelle Steel
Member of Congress



Kevin McCarthy
House Republican Leader



Darrell Issa
Member of Congress



Ken Calvert
Member of Congress



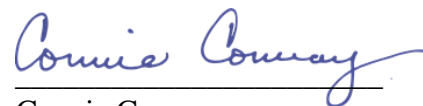
Young Kim
Member of Congress



Tom McClintock
Member of Congress



Mike Garcia
Member of Congress



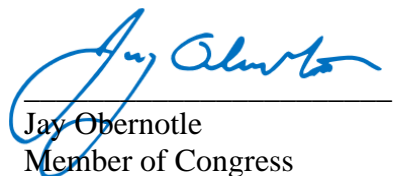
Connie Conway
Member of Congress



David Valadao
Member of Congress



Doug LaMalfa
Member of Congress



Jay Obernole
Member of Congress