



September 16, 2020

The Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814

Re: SB 1383 (Jackson) FAMILY LEAVE: REQUEST FOR VETO

Dear Governor Newsom:

On behalf of the United Chamber Advocacy Network, a coalition of seven local chamber of commerce organizations and their more than 5,000 combined members – 90% of which are small businesses of 25 employees or less – we respectfully request your **VETO of SB 1383** (Jackson) which expands current paid family leave law.

As many are fond of saying today, ***now more than ever***, small business owners and operators face enormous external pressures that are devastating their businesses, depleting financial reserves, wiping out personal savings, requiring layoffs of valued employees and forcing many businesses to close their doors.

The LAST thing small businesses in California need now are additional regulations, more burdensome regulatory requirements, greater uncertainty and the increased threat of unnecessary lawsuits.

The UCAN Chamber oppose SB 1383 for the following reasons:

- **Employer size**: reducing the employer threshold from twenty-five to five employees is arbitrary and adversely impacts small businesses who don't have the extra staff necessary to track compliance and nor the flexibility to mandatory family leave policy.
- **Legal liability**: The leave mandated under SB 1383 is enforced through a private right of action that includes compensatory damages, injunctive relief, declaratory relief, punitive damages, and attorney's fees. Any employee who believes an employer did not properly administer the leave, interfered with the leave, or denied the leave can initiate litigation.
- **Mediation**: the mediation process included in the bill is insufficient at best. The mediation should apply to all businesses included in the legislation (5-49 employees), and should be permanent, not sunsetted.
- **Definition of Family Members**: the broad definition of family members is unnecessary and is inconsistent with federal law, which creates confusion and uncertainty for small business operators.

We understand that SB 1383 is a "values" issue for you. We ask that, as a business owner and operator yourself, you would equally value the health of California's small businesses and **VETO SB 1383**.

Sincerely,

David N. Butler
Advocate