



## AB 504 Assemblyman Tri Ta

### Worker Classification: Licensed Manicurists

---

#### **SUMMARY OF PROPOSED BILL:**

AB 504 would ensure equal treatment of licensed manicurists by granting them the same independent contractor exemption as other beauty industry professionals.

#### **BACKGROUND:**

AB 5 (Gonzalez, 2019) codified the 2018 California Supreme Court ruling in *Dynamex Operations West, Inc. v. Superior Court*, which changed the definition of what classifies a worker as an independent contractor.

Two subsequent clean-up bills further expanded on AB 5. AB 2257 (Gonzalez, 2020) granted permanent exemptions for specific industries licensed by the Board of Barbering and Cosmetology, including estheticians, electrologists, manicurists, barbers, and cosmetologists, provided that they met certain guidelines demonstrating employment independence. However, manicurists were singled out for disparate treatment and were only given a two-year exemption. This was not added to the exemptions of other similarly situated licensees meeting the same standards.

AB 1561 (Labor Committee, 2021) extended the sunset date for the manicurist exemption by three years, but left the expiration in place. Licensed manicurists were the only industry singled out to be given an expiration date on their exemption. A cosmetologist can paint nails as an independent contractor, but a manicurist cannot.

A recent report by the UCLA Labor Center indicates that 82% of nail salon workers are of Vietnamese heritage, and 85% are women. Thus, current law results in the unequal treatment of the Vietnamese Americans that overwhelmingly make up the industry.

Nail salons in the United States are a cornerstone industry for small, mom-and-pop-owned businesses, particularly in the Vietnamese-American community.

This immigrant and refugee community plays a key role in the beauty service industry, providing affordable

luxury to the working class. In return, the industry has been key in providing an economic pathway into the middle class and allowing these first-generation Americans to achieve the American Dream.

The exclusion has created financial and operational difficulties for manicurists and salon owners threatening to gut the industry. This unfairly ends a path to prosperity that disproportionately affects Vietnamese women who make up the vast majority of nail salon workers.

#### **REASONS FOR THE BILL:**

This bill is needed to correct California employment law's unfair and discriminatory treatment of an industry overwhelmingly represented by Vietnamese-Americans. While exemptions were granted to other beauty industry professionals, manicurists were singled out for unequal treatment.

As a result, an industry that is 82% Vietnamese is being disproportionately impacted.

There is no rational justification for treating Vietnamese Americans differently. Everyone should meet the same standards.

All business owners and workers should be allowed to pursue the American Dream. They have a right to be treated equally under the law.

If the exemption works for other beauty industry licensees, it should work for manicurists. AB 504 has a chance to fix this oversight by giving manicurists the same exemption that other similar industries have received.

**CONTACT: ADAM BOMAN (916) 319-2070**