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**IN THE  
SUPREME COURT OF CALIFORNIA**

**SUPREME COURT  
FILED**

**DYNAMEX OPERATIONS WEST, INC.,**  
*Petitioner,*

**JAN 23 2017**

*v.*

Jorge Navarrete Clerk

Deputy

**THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES,**  
*Respondent,*

**CHARLES LEE et al.**  
*Real Parties in Interest.*

ON REVIEW FROM A DECISION BY THE COURT OF APPEAL,  
SECOND APPELLATE DISTRICT, DIVISION SEVEN • CASE No. B249546

**SUPPLEMENTAL BRIEF OF CHAMBER OF  
COMMERCE OF THE UNITED STATES OF AMERICA  
AND CALIFORNIA CHAMBER OF COMMERCE**

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**CHAMBER OF COMMERCE FOR THE UNITED STATES OF  
AMERICA; CALIFORNIA CHAMBER OF COMMERCE**

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**SUPPLEMENTAL BRIEF OF CHAMBER OF  
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AMERICA AND CALIFORNIA CHAMBER OF  
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**INTRODUCTION**

The Chamber of Commerce of the United States of America and the California Chamber of Commerce submit this supplemental amici brief in response to the Court's request for further briefing on the relevance in this case of the Division of Labor Standards Enforcement (DLSE) Policies and Interpretations Manual (2002 update as revised March 2006) (the DLSE Manual). (DLSE Manual (March 2006) <<http://goo.gl/7xCTVi>> [as of Jan. 18, 2017].)

The issue presented by this appeal is which test should control when distinguishing between employees and independent contractors—the common law test discussed in *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989) 48 Cal.3d 341 (*Borello*), or the Industrial Welfare Commission (IWC) definitions as construed in *Martinez v. Combs* (2010) 49 Cal.4th 35 (*Martinez*). The DLSE Manual, while not binding on California courts because it was not adopted in compliance with the state’s Administrative Procedures Act, may nonetheless be considered for its persuasive value in answering that question. The DLSE Manual is relevant to deciding this appeal for two primary reasons.

First, the DLSE Manual supports Dynamex’s position that the IWC wage order tests discussed in *Martinez* apply only to the determination of who is an employer, and that the *Borello* common law test continues to provide the proper test for distinguishing between employees and independent contractors. The DLSE Manual does so in several ways: (a) by providing separate sections for making those determinations; (b) by exclusively applying the *Borello* methodology for deciding who is an independent contractor rather than an employee; and (c) by applying the IWC wage order tests only for determining who is an employer, particularly in the potential joint employment situation at issue in *Martinez*.

Second, in the event this Court rejects Dynamex’s position, then the DLSE Manual is relevant to whether the IWC wage order tests can and should be harmonized with the *Borello* common law test in determining when a worker is an employee or an independent contractor. The DLSE Manual answers that question

by affirming that the extent to which the hirer has the “right of control” is the determinative consideration underlying both the common law and IWC tests. To avoid upsetting decades of settled law, and the loss of economic benefits that would result if the IWC tests were applied in a manner that essentially eliminates independent contractor status for any use in California as plaintiffs’ proposed test would do, the IWC tests should at a minimum be harmonized with the *Borello* common law test, with a focus on the extent to which the hirer has the right to control the work. Indeed, as explained below, the DLSE has done just that in several opinion letters providing guidance on determining when a worker is an employee or an independent contractor.

## LEGAL ARGUMENT

### **I. THE DLSE MANUAL, ALTHOUGH NOT BINDING ON COURTS, MAY BE CONSIDERED FOR ITS PERSUASIVE VALUE.**

This Court’s supplemental briefing order, which asks the parties to address the relevance of specified sections of the DLSE Manual, raises the broader question of what relevance, if any, should be given to the DLSE Manual by courts as a general matter. The short answer is that while the DLSE Manual is not binding on California courts because it was not adopted in accordance with the Administrative Procedure Act, it may nonetheless be considered for



its persuasive value when determined to be consistent with California law.

A brief historical review is in order. The IWC “is the state agency empowered to *formulate* regulations (known as wage orders) governing employment in the State of California.” (*Tidewater Marine Western, Inc. v. Bradshaw* (1996) 14 Cal.4th 557, 561 (*Tidewater*), emphasis added.) By contrast, the DLSE, which is headed by the Labor Commissioner, “is the state agency empowered to *enforce* California’s labor laws, including IWC wage orders.” (*Id.* at pp. 561-562, emphasis added.) Although the Legislature defunded the IWC in 2004, its wage orders remain in effect. (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1102, fn. 4.)

In the late 1980s, “the DLSE prepared a formal ‘Operations and Procedures Manual’ ” that incorporated previous enforcement policies and interpretations and “reflected ‘an effort to organize . . . interpretative and enforcement policies’ of the agency and ‘achieve some measure of uniformity from one office to the next.’ ” (*Tidewater, supra*, 14 Cal.4th at p. 562.) This Court held that particular provisions in the DLSE Manual were “regulations and therefore are void because they were not adopted in accordance with” the Administrative Procedure Act. (*Id.* at p. 561.) Accordingly, courts “can give no weight” to the DLSE Manual’s interpretation of the IWC wage orders because “ [t]o give weight to [an improperly adopted regulation] in a controversy that pits [the agency] against an individual member of exactly that class the [Administrative Procedure Act] sought to protect . . . would permit

an agency to flout [the Administrative Procedure Act] by penalizing those who were entitled to notice and opportunity to be heard but received neither.’” (*Id.* at p. 576.)

Nonetheless, this Court further held that while courts should not “defer” to the DLSE manual’s wage order interpretations, they should not necessarily reject those interpretations. (*Tidewater, supra*, 14 Cal.4th at pp. 576-577.) Even where courts decide “not to give weight to an agency interpretation, [they] nevertheless consider[ ] whether that interpretation was correct.” (*Id.* at p. 577.)

Following *Tidewater*, the DLSE has continued to publish its Manual with the intent to “summarize[ ] the policies and interpretations which DLSE has followed and continues to follow in discharging its duty to administer and enforce the labor statutes and regulations of the State of California.” (DLSE Manual, *supra*, Acknowledgements.) While reaffirming that it gives the “DLSE’s current enforcement policies” in the DLSE Manual “no deference because they were not adopted in compliance with the Administrative Procedure Act” (*Martinez, supra*, 49 Cal.4th at p. 50, fn. 15), this Court has nonetheless sometimes adopted an interpretation of an enforcement policy in the DLSE Manual after “having independently determined that it is correct.” (*Peabody v. Time Warner Cable, Inc.* (2014) 59 Cal.4th 662, 670; accord, e.g., *Schachter v. Citigroup, Inc.* (2009) 47 Cal.4th 610, 621-623 [relying on the DLSE Manual].)<sup>1</sup>

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<sup>1</sup> At other times, the Court has simply declined to address whether a policy stated in the DLSE Manual is correct. (See *Martinez*, (continued...))

Applying *Tidewater*, the Courts of Appeal have generally treated the DLSE Manual as containing appropriate and persuasive interpretations of wage and hour law when the court concludes those interpretations are consistent with California law. (See, e.g., *Vranish v. Exxon Mobil Corp.* (2014) 223 Cal.App.4th 103, 112; *See's Candy Shops, Inc. v. Superior Court* (2012) 210 Cal.App.4th 889, 902; *Sciborski v. Pacific Bell Directory* (2012) 205 Cal.App.4th 1152, 1167, 1171, 1174; *United Parcel Service Wage & Hour Cases* (2010) 190 Cal.App.4th 1001, 1011; *Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 584-585, 587 & fn. 5; *Marin v. Costco Wholesale Corp.* (2008) 169 Cal.App.4th 804, 815-816; *Isner v. Falkenberg/Gilliam & Associates, Inc.* (2008) 160 Cal.App.4th 1393, 1399; *Sumuel v. Advo, Inc.* (2007) 155 Cal.App.4th 1099, 1109.)

Although the Courts of Appeal have sometimes disregarded the DLSE Manual, they have done so only after independently concluding it does not accurately interpret California law. (See, e.g., *Aleman v. Airtouch Cellular* (2012) 209 Cal.App.4th 556, 573; *Church v. Jamison* (2007) 143 Cal.App.4th 1568, 1578-1579.)

In sum, although the interpretations of IWC wage orders in the DLSE Manual are not controlling, California courts may independently consider them for whatever persuasive value or weight they carry.

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(...continued)

*supra*, 49 Cal.4th at p. 50, fn. 15; *Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575, 581-582.)

**II. THE DLSE MANUAL'S STRUCTURE AND CONTENT CORRECTLY REFLECT THAT *BORELLO*'S COMMON LAW TEST, RATHER THAN THE WAGE ORDERS' DEFINITION OF AN "EMPLOYER," GOVERNS WHETHER WORKERS ARE INDEPENDENT CONTRACTORS.**

In *Martinez*, this Court applied three alternative tests set by IWC's wage orders to determine which of multiple possible employers could be sued as joint employers by workers whom nobody disputed were employees. (*Martinez, supra*, 49 Cal.4th at pp. 64, 66, 68-77.) Dynamex's briefs on the merits explain why the IWC wage order tests should not be extended beyond the joint employment context addressed in *Martinez* to govern cases in which workers challenge their independent contractor status. Consistent with Dynamex's position, the DLSE Manual reveals that the DLSE—the entity charged with enforcing the IWC orders—likewise does not believe that the IWC wage order tests at issue in *Martinez*, however they could be construed, should govern whether a worker is an employee rather than an independent contractor.

The DLSE Manual correctly reflects that the IWC tests should be limited to the specific context addressed by *Martinez*—determining whether multiple possible employers can all be sued as joint employers by workers whom no one disputes were employees. The DLSE Manual further confirms that the question whether a worker is an independent contractor should be governed by the common law test explicated in *Borello*, and not by the IWC tests.

The DLSE Manual does so by adopting the *Borello* methodology for deciding who is an independent contractor rather than an employee, without mentioning any other test described in *Martinez*. Those other tests are instead mentioned only in a separate section of the DLSE Manual that describes the distinct definition for an employer, and *Martinez* is cited only in that separate section.

This Court’s supplemental briefing order specifically directs the attention of the parties and amici to sections 2.2 and 2.2.1 of the DLSE Manual, as well as to sections 28 through 28.4.2.4. Section 2.2.1 states that one section of the DLSE Manual concerns when “joint employers” may share responsibility for an employee’s wages, while a *separate* section of the DLSE Manual concerns when a worker is an independent contractor:

As explained in detail at Section 37.1.2 of this Manual, it is possible that two separate employer entities (joint employers) may share responsibility for the wages due an employee. Also, at Section 28 of this Manual, there is a detailed discussion on how to distinguish between an employee and an independent contractor.

(DLSE Manual, *supra*, § 2.2.1.)

Section 37.1.2—to which section 2.2.1 refers for its regulation of “joint employers”—recognizes that the “broad definition of ‘employer’ ” under wage and hour law “allows more than one person to be liable for unpaid wages and penalties” because “there may be more than one entity responsible for the payment of wages or other benefits.” (DLSE Manual, *supra*, § 37.1.2.) Correspondingly, section 28 et seq.—to which section 2.2.1 refers for its “discussion on how to distinguish between an employee and an independent

contractor”—deals with the subject of “INDEPENDENT CONTRACTOR vs. EMPLOYEE.” (DLSE Manual, *supra*, § 28.)

Section 2.2.1 thus supports the view that the wage orders’ definition of an “employer” is meant to govern only the joint employer analysis, and does not govern the distinct question, at issue here, of which workers are independent contractors rather than employees. Section 2.2.1 refers to section 37.1.2 as the specific section governing the joint employer context based on its definition of an “employer,” whereas section 2.2.1 refers to a different section—28 et seq.—for the methodology by which employers can distinguish between employees and independent contractors. In other words, by distinguishing between the joint employer concept on the one hand and the independent contractor/employee context on the other, and by referencing two different sections that utilize different legal principles, section 2.2.1 recognizes that the definition of who constitutes an employer does not govern the distinct question of who constitutes an employee.

Section 2.2 further confirms that the questions of who is an employer and who is an employee should not be conflated and governed by the same test, as urged by plaintiffs. Section 2.2 contains a definition of “Employer,” which the DLSE Manual states “is set forth in the Wage Orders promulgated by the Industrial Welfare Commission at Section 2 (see Section 55.2.1.2 of this Manual).” (DLSE Manual, *supra*, § 2.2.) Although the current version of the Manual does not include a “Section 55.2.1.2,” section 55.2 explains what the definition of an “employer” is under the wage orders:

Definition Of “Employer”. The definition of employer for purposes of California’s labor laws is set forth in the Wage Orders promulgated by the Industrial Welfare Commission. [ ] To employ under the IWC definitions has three alternative definitions.

“It means (a) to exercise control over the wages, hours or working conditions, or (b) to suffer or permit to work, or (c) to engage, thereby creating a common-law employment relationship.”  
*Martinez* [, *supra*,] 49 Cal.4th 35

(DLSE Manual, *supra*, § 55.2.) In sharp contrast, section 28 et seq. of the DLSE Manual contains no reference to *Martinez*, the IWC tests for determining who is an employer, or anything else to suggest that those tests have superseded the common law test set forth in *Borello* that for more than a century has been used to determine when a worker is an independent contractor. (See DLSE Manual, *supra*, §§ 28-28.4.2.4.)

Of final and particular significance is the fact that Section 28 et seq. of the DLSE Manual—which section 2.2.1 references as governing “how to distinguish between an employee and an independent contractor”—*expressly* adopts the common law test explicated in *Borello* for making that determination. Section 28.3, for example, provides that:

In determining whether an individual providing service to another is an independent contractor or an employee, there is no single determinative factor. Rather, it is necessary to closely examine the facts of each service relationship and to then apply the “multi-factor” or “economic realities” test adopted by the California Supreme Court in *Borello*, *supra*, 48 Cal.3d 341.

(DLSE Manual, *supra*, § 28.3, emphasis added; see also, e.g., *id.* §§ 28.2 [citing *Borello*'s presumption of employment]; 28.3.1 [summarizing pre-*Borello* law], 28.3.2 [discussing *Borello*'s "departure from [an] overriding focus on control over work details"], 28.3.2.1 [acknowledging that "the right to control the work remains a significant factor" and listing the "additional factors" identified in *Borello* "that must be considered"].)

To sum up the DLSE's view, then, the wage orders' definition and *Martinez*'s analysis of that definition goes to the question of who is an employer, and especially to the issue of potential joint employment situation at issue in *Martinez*. The fact that section 2.2.1 then refers to a different provision of the Manual—section 28 et seq., with its summary of the *Borello* common law test—for "how to distinguish between an employee and an independent contractor," rather than to section 55.2 with its definition of an employer, confirms that *Martinez*'s assessment of who constitutes an *employer* under the wage orders should not control the distinct question of who constitutes an *employee*. The DLSE Manual thus supports Dynamex's view that the determination of when a worker is an independent contractor should continue to be determined under the multi-factor common law test explicated in *Borello*. As Dynamex's briefs on the merits correctly explain, this view is fully consistent with and supported by California law, confirming the propriety of the DLSE Manual's approach.



**III. THE DLSE MANUAL AND OPINION LETTERS FURTHER REFLECT THAT THE IWC WAGE ORDER TESTS CAN BE HARMONIZED WITH THE *BORELLO* COMMON LAW TEST.**

**A. The DLSE Manual affirms that “right of control” is the determinative consideration underlying both the common law and IWC tests.**

In our original amici brief we explained why, if the Court disagrees with Dynamex and extends the IWC tests beyond the joint employment context to govern employee status as well, those tests should not be interpreted and applied as if they imposed materially different limitations than those set in *Borello* for determining who is an employee under the common law test. Rather, because the critical requirement under both *Borello*'s common law test and the IWC tests is the right of control, the common law and IWC tests should be harmonized, thereby avoiding the disruption of decades of settled law, and the numerous substantive problems that would arise if the IWC tests were applied in a manner that eliminated independent contractor status for most or virtually all service providers in California. (See Amici Curiae Brief of Chamber of Commerce of the United States of America and California Chamber of Commerce (ACB) 20-34.)

The DLSE Manual supports this approach. As previously noted, sections 28 through 28.4.2.4 of the Manual address the standards for distinguishing between independent contractors and

employees. While cautioning against using the “‘control’ test . . . rigidly and in isolation,” the DLSE Manual states that the “right to control the work remains a significant factor,” along with the “additional factors that must be considered.” (DLSE Manual, *supra*, § 28.3.2.1.) These secondary factors, which are described in several of section 28’s provisions, are part of the *Borello* common law test and many of them are merely further indicia of hirer control sufficient to make the worker an employee. (See, e.g., *Ayala v. Antelope Valley Newspapers, Inc.* (2014) 59 Cal.4th 522, 539 (*Ayala*) [explaining that certain secondary factors are “relevant to support an inference that the hiree is, or is not, subject to the hirer’s direction and control”]; *Tieberg v. Unemployment Ins. App. Bd.* (1970) 2 Cal.3d 943, 953 [describing various factors for assessing whether workers are independent contractors or employees—like whether “their work involves skill,” or whether “they do not work on the [hirer’s] premises,” or whether “they are paid by the job rather than by the hour”—and explaining “[t]hese factors are merely evidentiary indicia of the right to control”]; DLSE Manual, *supra*, § 28.3.1 [explaining that, “[p]rior to *Borello*, the leading case on the subject was *Tieberg*” (italics added)].)

Thus, the DLSE Manual’s approach is entirely consistent with past Supreme Court precedent, which recognizes that *Borello* calls for a multi-factor assessment but emphasizes that “control over how a result is achieved lies at the heart of the common law test for employment” and thus “what matters under the common law is . . . how much control the hirer retains the right to exercise.” (*Ayala, supra*, 59 Cal.4th at p. 533.)

Just like *Borello*'s common law test, all three IWC tests likewise hinge on the right of control:

1. The "common law employment relationship" test (*Martinez, supra*, 49 Cal.4th at p. 64) is the same common law test articulated by this Court in *Borello*. (ABOM 54 [plaintiffs explaining that IWC's "'common law employment relationship' " test "is defined by the common law criteria included in the *Borello* factors test"]; see also ACB 23.)

2. The "exercises control over the wages, hours, or working conditions" of workers test focuses on *actual* control of the work. (*Martinez, supra*, 49 Cal.4th at pp. 71-74.) This IWC test is therefore narrower than *Borello*'s common law test, which focuses on the hirer's *right* to control the work. (*Ayala, supra*, 59 Cal.4th at pp. 531-532.) Because the *right* to exercise control necessarily precedes the actual *exercise* of control, the IWC's "exercises control" test is subsumed within the *Borello* common law test. (ACB 29-30.)

3. The "suffer, or permit to work" test hinges on the extent of the hirer's right to control the work, because an employer "suffers or permits . . . work by failing to prevent it" only "while having the power to do so." (*Martinez, supra*, 49 Cal.4th at p. 69.) In other words, the hirer's right to control the worker is required under the "suffer, or permit to work" test, and this Court has therefore held that mere knowledge that plaintiffs were working and that plaintiffs' work benefited defendants does not create employer status under that test. (*Id.* at p. 70; see also ACB 25-29.)

Thus, both Section 28 et seq. of the DLSE Manual and past Supreme Court precedent are consistent with harmonizing all

possible tests for determining independent contractor status, including those discussed in *Martinez*, because they all hinge on the extent to which the hirer has the right to control the work. That is exactly the approach taken in *Bradley v. Networkers Internat., LLC* (2012) 211 Cal.App.4th 1129, 1147, which held that “under the *Borello* or *Martinez* tests . . . , the focus is not on the particular task performed by the employee, but the global nature of the relationship between the worker and the hirer, *and whether the hirer or the worker had the right to control the work.*” (Emphasis added.) In other words, under either the *Borello* common law test or the IWC tests, class treatment should depend on whether there is common proof of a right of control that is “uniform throughout the class.” (*Id.* at pp. 1146-1147.)

**B. The DLSE opinion letters further clarify that the common law and IWC tests should not be meaningfully different in application when determining who is an independent contractor.**

In addition to its Manual, the DLSE has issued several opinion letters providing guidance on determining when a worker is an employee or an independent contractor. While relying on the *Borello* common law test as providing the general framework for making that determination, two of the DLSE opinion letters also include references to the IWC tests. But in doing so, the opinion letters focus on the right of control as the proper test for assessing whether workers are independent contractors. In other words, the

DLSE opinion letters, like the DLSE Manual, confirm that in practical application the IWC tests, even if applicable to determining independent contractor status, should not lead to different results than the *Borello* common law test when those tests are properly construed.

The DLSE opinion letters, “while not controlling upon courts by reason of their authority, do constitute a body of experience and informed judgment to which courts and litigants may properly resort for guidance.” (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1029, fn. 11, internal quotation marks omitted; accord, *Augustus v. ABM Security Services* (Dec. 22, 2016, S224853) \_\_\_ Cal.5th \_\_\_ [2016 WL 7407328, at p. \*6; *Harris v. Superior Court* (2011) 53 Cal.4th 170, 190.)

The DLSE’s website contains links to several opinion letters that focus on the control test for determining who is an employee. As an example, an opinion letter on independent contractor status was issued on May 17, 2000 after this Court’s *Martinez* decision. (Cal. Dept. of Industrial Relations, DLSE Opn. Letter No. 2000.05.17-1 (May 17, 2000) <<http://www.dir.ca.gov/dlse/opinions/2000-05-17-1.pdf>> [as of Jan. 18, 2017].) In analyzing whether certain registered nurses are employees or independent contractors, the letter focuses extensively on the common law test in *Borello*, and in particular on the right of control. But the letter also discusses and applies one of the IWC tests analyzed in *Martinez*—the “exercises control over the wages, hours, or working conditions” of workers test. (E.g., *id.* at p. 3.) The letter focuses on right of control and stresses that “control over the means and manner in

which the work is performed remains the most significant factor in determining whether an employment relationship exists.” (*Id.* at p. 5.) Thus, the letter further confirms that right of control remains the proper test for assessing whether workers are independent contractors, and that in practical application, the *Borello* common law test and the IWC tests, properly construed, should lead to the same result.

Other DLSE opinion letters likewise confirm the importance of the right of control test. (See, e.g., Cal. Dept. of Industrial Relations, DLSE Opn. Letter No. 1994.04.11 (Apr. 11, 1994) p. 2 <<http://www.dir.ca.gov/dlse/opinions/1994-04-11.pdf>> [as of Jan. 18, 2017] [“suggest[ing] that [the recipient of the opinion letter] review the case of *Borello*[, *supra*,] 48 Cal.3d 341 . . . for an overview of the relationship of employer/employee versus independent contractor/principal”]; Cal. Dept. of Industrial Relations, DLSE Opn. Letter No. 1997.05.27 (May 27, 1997) p. 2 <<http://www.dir.ca.gov/dlse/opinions/1997-05-27.pdf>> [as of Jan. 18, 2017] [“It seems the differentiation between paid extras and what [the recipient of the letter] call[s] promotional extras comes down to a matter of control”].)

## CONCLUSION

For the reasons explained above, this Court should hold either that the common law test as explicated in *Borello* remains the exclusive test for determining independent contractor status, or should harmonize the three tests set forth in *Martinez* by holding

that the *Borello* factors associated with the right of control are determinative under all three tests.

January 20, 2017

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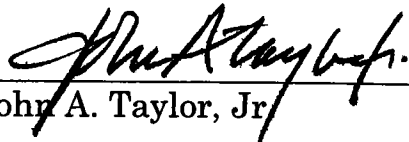
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**CERTIFICATE OF WORD COUNT  
(Cal. Rules of Court, rule 8.204(c)(1).)**

The text of this brief consists of 4,038 words as counted by the Microsoft Word version 2010 word processing program used to generate the brief.

Dated: January 20, 2017

  
\_\_\_\_\_  
John A. Taylor, Jr.



## PROOF OF SERVICE

### STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is Business Arts Plaza, 3601 West Olive Avenue, 8th Floor, Burbank, California 91505-4681.

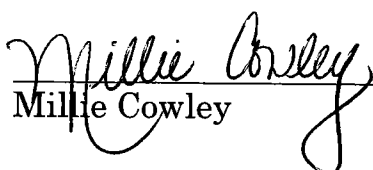
On January 20, 2017, I served true copies of the following document(s) described as **SUPPLEMENTAL BRIEF OF CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA AND CALIFORNIA CHAMBER OF COMMERCE** on the interested parties in this action as follows:

### **SEE ATTACHED SERVICE LIST**

**BY MAIL:** I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Horvitz & Levy LLP's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 20, 2017, at Burbank, California.

  
\_\_\_\_\_  
Millie Cowley

**SERVICE LIST**

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Case No. S222732

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