

RUDY EXELROD ZIEFF & LOWE LLP 351 CALIFORNIA STREET, SUITE 700 1 Plaintiffs Benjamin Valdez, Hector Castellanos, Worksafe, and Chinese Progressive 2 Association (collectively, "Plaintiffs") bring this action against Defendants Uber Technologies, 3 Inc.; Uber USA, LLC; Rasier, LLC; and Rasier-CA, LLC (collectively, "Uber" or "Defendants") 4 and allege as follows based upon personal experience and the investigation of counsel:

I.

5

## **INTRODUCTION**

6 This is an individual and class action for injunctive relief brought by two 1. 7 California non-profit organizations dedicated to protecting workplace rights – Worksafe and 8 Chinese Progressive Association – and Benjamin Valdez and Hector Castellanos, Uber ride-share 9 drivers, on behalf of themselves and a class of all similarly situated California Uber drivers, each 10 of whom Uber has unlawfully pressured to support its Yes on Prop 22 campaign - an effort 11 funded by Uber, Lyft, Instacart, and DoorDash with the goal of stripping gig economy workers 12 like Valdez and Castellanos of their rights as employees under the California Labor Code and 13 Industrial Commission Wage Orders.

14 2. Since at least 1915, California has prohibited employers from pressuring, 15 coercing, or otherwise interfering with their employees' right to engage in, or refrain from 16 engaging in, political activities, including the employees' rights as Californians to vote for or 17 against political candidates and ballot initiative measures. As presently codified, Labor Code 18 § 1101 expressly forbids employers from exploiting their economic power by "controlling or 19 directing" the political activities of their employees, and Labor Code § 1102 forbids employers 20 from using the threat of discharge or loss of employment to coerce, or attempt to coerce or 21 influence any employee's free choice regarding whether to engage or refrain from engaging in 22 "any particular course or line of political action or political activity."

23 3. Despite California's longstanding prohibitions against employer interference with 24 the political rights and freedoms of their employees, Uber has taken advantage of its raw 25 economic power and its exclusive control over communications through its driver-scheduling app 26 by wrongfully pressuring its drivers to actively support Proposition 22. Uber has not only 27 directed its drivers to vote for Proposition 22, but has also asked them to support the Yes on 28 Prop 22 campaign by submitting video messages and statements that conform to Uber's political

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1 position and by pressuring the drivers to submit statements of support for Proposition 22 and to 2 respond to surveys regarding their voting preferences by stating they support Prop 22. Uber's 3 solicitations have the purpose and effect of causing drivers to fear retaliation by Uber if they do 4 not support Uber's political preference and may induce many drivers to falsely state that they 5 support being deprived of the rights that California law guarantees to statutory "employees." 6 Despite the intentionally skewed survey results obtained by Uber through the wrongful conduct 7 alleged herein, Uber's ongoing statewide campaign makes the misleading claim that drivers 8 support Proposition 22.

9 4. Although Uber has long misclassified its drivers as independent contractors rather 10 than employees, recent court decisions have made clear that those drivers (the plaintiff class 11 members in this lawsuit) are - and have always been - employees under California law. That 12 was true before the enactment of Assembly Bill 5 ("AB 5") in 2019 and even before the 13 California Supreme Court's unanimous decision in Dynamex Operations West, Inc. v. Superior 14 Court (2018) 4 Cal.5th 903, which AB 5 codified; and it is certainly true now, as most recently 15 confirmed by Judge Ethan Schulman in People v. Uber Technologies, San Francisco Superior 16 Court Case No. CGC-20-584402 (appeal pending No. A160706). Nonetheless, in a coldly 17 calculated self-interested effort to avoid the costs of complying with state law-including but not 18 limited to complying with obligations to pay minimum wage and overtime wages, to provide 19 meal and rest periods, to reimburse work expenses, and to pay unemployment insurance, 20 workers' compensation, and other taxes that California law requires from employers-Uber, 21 joined by such other prominent gig economy employers as Lyft, Instacart, and DoorDash, have 22 poured close to two hundred million dollars into their campaign to enact Proposition 22, a ballot 23 initiative that would overrule AB 5, *Dynamex*, and the underlying protections for plaintiffs and 24 class members under the California Labor Code and IWC Wage Orders.

25 5. This case challenges Uber's wrongful efforts to dictate to its drivers -a captive 26 audience whose members are economically dependent on Uber for their jobs, their pay, and for 27 the timely, favorable, and plentiful ride-sharing assignments that Uber can provide – how they 28 should vote in the upcoming election and what they should do to support Uber's Yes on Prop 22

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1 campaign. Through public comments and extensive, repeated messaging that is triggered every 2 time a driver logs on to Uber's mandatory driver app, Uber has threatened plaintiffs and class 3 members that if they do not support Uber's political efforts regarding Proposition 22, those 4 drivers will lose their jobs or suffer other adverse work-related consequences. Uber's threats do 5 not rest upon accurate, factual information. Rather, the messaging Uber is using to coerce those 6 drivers' votes and to obtain those drivers' material support for the Yes on Prop 22 campaign (in 7 the form of positive survey responses and written and videotaped statements in support of the 8 Yes on Prop 22 campaign) rests on a series of knowingly false statements and misrepresentations 9 and implicit threats of retaliation against non-supporters, all of which are designed to increase the 10 wrongful pressure on those drivers to bend to Uber's corporate will.

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11 6. First, Uber makes a series of factually unfounded assertions that its California 12 drivers will lose their jobs unless Proposition 22 passes. At times, Uber threatens that unless 13 Proposition 22 passes, Uber will cease all California operations, even though Uber knows that it 14 could continue to operate in California with drivers who are properly classified as employees. At 15 other times, Uber inconsistently threatens that unless Proposition 22 passes, Uber will cut its 16 driver workforce in California by 70 percent, or fire everyone and rehire some. As a result, 17 drivers reasonably believe that if they want to be among the 30 percent of drivers who are either 18 retained or rehired as employees, they must have affirmatively supported Uber's Yes on Prop 22 19 campaign by preparing videotaped and written messages of support and "correctly" answering 20 Uber's survey questions. These threats are doubly unlawful. First, these threats mislead 21 employees by stating that an across-the-board layoff and minimal rehire policy would be the 22 inevitable, immutable consequence of its drivers' failure to conform to Uber's political mandate. 23 These threats send a clear message that the only drivers who will have a chance of regaining 24 employment if Proposition 22 passes are those who have curried favor with Uber by actively 25 supporting its campaign.

7. Second, Uber's captive-audience communications to its drivers falsely state what
the consequences would be to its drivers if Proposition 22 passes. Uber warns its drivers that, to
the extent they might still have jobs after Proposition 22 passes (i.e., if they are re-hired after

1 being laid off), they will lose scheduling flexibility, their earnings will be limited, they will be 2 barred from using other ride-sharing apps, and they will be forced to accept rides with poorly 3 rated riders. Again, although Uber presents these scenarios as an immutable consequence of 4 Proposition 22's enactment, there is no *legal* reason why Uber could not operate with a 5 workforce of employees protected by the California Labor Code and Wage Orders like any other 6 employer - such as taxi companies.

7 8. Third, Uber falsely states what the supposed benefits to its drivers would be if 8 Proposition 22 passes and Uber is permitted to classify drivers as independent contractors. For 9 example, Uber asserts that the drivers would be entitled to a guaranteed minimum income of 10 120% of the California minimum wage, but fails to disclose that this supposed guarantee only 11 applies to hours in which they are engaged by an Uber rider and not to other time under Uber's 12 control which, under well-established California law, constitutes "work" time for which those 13 employees are entitled to be compensated.

14 9. It is a bedrock principle of our democracy that all persons should be free to engage 15 in, or refrain from, political activity without coercion. This principle has been codified in 16 California law for more than a century, and it reflects the Legislature's recognition in Sections 17 1101 and 1102 of the Labor Code that employers have the inherent power to wield enormous 18 coercive control over their employees, creating the risk that absent protective legislation, 19 unscrupulous employers might "misuse their economic power to interfere with the political 20 activities of their employees." (Gay Law Students Assn. v. Pacific Tel. & Tel. Co. (1979) 24 Cal. 21 3d 463, 487.) To protect workers from employers seeking to exploit that power for political 22 advantage, the Legislature enacted those statutes using the broadest possible language to describe 23 the range of political activities to which its prohibitions apply. "These statutes cannot be 24 narrowly confined to partisan activity." (Id. at 487.) "The term 'political activity" is broad 25 enough to include "the espousal of . . . a cause," and recognizes "the political character of 26 activities such as . . . the association with others for the advancement of beliefs and ideas." 27 (Ibid.) 28 ///

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1 10. Plaintiffs bring this action individually, and on behalf of all others similarly 2 situated, to obtain declaratory and injunctive relief to stop Uber's unlawful and harmful practices, 3 which subvert its employees' political freedom and the democratic process. Plaintiffs' claims are 4 brought under California Labor Code sections 1101 and 1102, and the Unfair Competition law. 5 Plaintiffs have also submitted a PAGA notice to the LWDA and are in the process of exhausting 6 the administrative process as a first step toward recovering the civil penalties made available to 7 all aggrieved employees and the California Labor and Workforce Development Agency 8 ("LWDA") under PAGA, Labor Code § 2689 et seq. If the LWDA declines to pursue those 9 penalties itself, Plaintiffs will amend this complaint to add a PAGA claim.

10 II.

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# I. JURISDICTION AND VENUE

11 11. This Court has jurisdiction over the claims raised in this Complaint and is the
proper venue pursuant to Code of Civil Procedure sections 395.5, 410.10 for the following
reasons: (i) Defendants maintain their headquarters in San Francisco County; (ii) Defendants
regularly operate, advertise, market, and/or employ drivers in San Francisco County and
throughout the State of California; and (iii) a substantial portion of the underlying transactions
and events complained of herein occurred, and affected persons and entities reside, in San
Francisco County.

18 12. Plaintiff Valdez properly exercised his right to opt out of Uber's forced arbitration
19 requirement, although because he seeks public injunctive relief to enjoin Uber's ongoing
20 violations of Labor Code sections 1011 and 1012. Valdez and Castellanos would be permitted to
21 pursue the relief sought herein even if he were subject to an otherwise binding Uber arbitration
22 agreement because they are primarily seeking a public injunction and because Uber's arbitration
23 agreements prohibit drivers from seeking relief that benefits anyone other than themselves.

24 III. <u>THE PARTIES</u>

25 13. Plaintiff Benjamin Valdez is a citizen of California, residing in Los Angeles,
26 California. Valdez has worked for Uber as a driver from approximately August 2015 to the
27 present. Plaintiff Valdez validly opted out of Defendants' arbitration policy.

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1 14. Plaintiff Hector Castellanos is a citizen of California, residing in Antioch, 2 California. Castellanos has worked for Uber as a driver for approximately the last three years. 3 15. Plaintiff Worksafe is a California-based organization dedicated to promoting and 4 protecting the basic right of all people to a safe and healthy workplace. For nearly 40 years, 5 Worksafe has led campaigns that have made California a national leader in occupational safety 6 and health ("OSH"). Worksafe provides leadership and coordination among labor, legal, and 7 public health advocates to pass protective OSH laws. Their initiatives prioritize issues of concern 8 to low-income, immigrant, and contingent workers, including Uber drivers.

9 16. Plaintiff Chinese Progressive Association ("CPA") is a nonprofit that develops the
10 leadership of Chinese immigrant working families in San Francisco to improve living and
11 working conditions for all. CPA's Workers Rights' programs include wage theft case support,
12 hospitality job training program, community education and outreach, grassroots leadership
13 development and policy advocacy. Their membership includes Uber drivers.

14 17. Defendant Uber Technologies, Inc. is a Delaware corporation that maintains its
15 principal place of business at 1455 Market Street, Fourth Floor, San Francisco, California 94103.
16 18. Defendant Uber USA, LLC is a Delaware limited liability company that maintains
17 its principal place of business at 1455 Market Street, Fourth Floor, San Francisco, California
18 94103.

19 19. Defendant Raiser-CA, LLC is a Delaware limited liability company that maintains
20 its principal place of business at 1455 Market Street, Fourth Floor, San Francisco, California
21 94103.

22 20. Defendant Rasier, LLC is a Delaware limited liability company that maintains its
23 principal place of business at 1455 Market Street, Fourth Floor, San Francisco, California 94103.
24 21. Defendant Uber Technologies, Inc. is the parent company of Defendants Uber
25 USA, LLC, Rasier, LLC, and Rasier-CA, LLC.

26 22. Rasier, LLC and Raiser-CA, LLC (collectively, "Rasier Defendants") act as
27 intermediaries between Uber and its drivers by managing those drivers' contracts and tax forms
28 and by issuing payments from Uber to its drivers. Uber's drivers have no way to contact the

1 Rasier Defendants but can only communicate through Uber. The Rasier Defendants are merely 2 instrumentalities of Uber, because they are undercapitalized and because Uber controls all 3 material aspects of their operations.

IV. FACTS COMMON TO ALL CAUSES OF ACTION

5 23. Uber is a transportation network company that employs drivers to provide rides to 6 customers. Uber competes with other transportation services, including public transportation, 7 other ride-sharing services, and taxis.

8 24. Uber's drivers provide rides to customers who request transportation services via 9 Uber's customer application on their smartphones. Uber's driver application ("app") assigns 10 those rides to drivers in the vicinity.

11 25. Uber gathers an immense amount of information on both its customers and its 12 drivers. Uber tracks its drivers' behavior and performance, using data from their phones. Uber 13 uses the data to "identify unsafe driving behavior such as speeding or harsh braking and 14 acceleration." It uses this data along with user ratings "as grounds for deactivating drivers." It 15 also uses driver data to "match available drivers . . . to users requesting services . . . based on 16 availability, proximity, and other factors." Uber gathers location data from riders "when the 17 Uber app is running in the foreground (app open and on-screen) or background (app open but not 18 on-screen) of their mobile device." It also gathers the content of certain in-app communications 19 between drivers and customers, "including the date and time of the communications and the 20 content of the communications." And Uber gathers data about how its apps are used, by, among 21 other things, using "cookies, pixels, tags, and similar tracking technologies that create and 22 maintain unique identifiers." Information about Uber's policies are available at 23 https://www.uber.com/legal/en/document/?country=united-states&lang=en&name=privacy-24 notice.

25 26. Uber uses a complex algorithm to "match" drivers to riders. That algorithm does 26 not just prioritize the lowest wait-time for users. Uber states that it "may also modify pairings of 27 drivers and riders in certain instances to help maintain a safe platform; for example, [it prevents] 28 matches if one has given the other a one-star rating in the past." Information about Uber's

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1 matching algorithm is available at <u>https://marketplace.uber.com/matching</u>.

2 27. Uber regularly deactivates drivers. It warns: "If you violate any applicable terms 3 of use, terms of the contractual agreement you agreed to when signing up for an account with 4 Uber, or any of these Community Guidelines, you can lose access to the Uber apps." Uber states: 5 "There will always be unforeseen events that may ultimately lead to you losing access to the 6 Uber apps—and we'll update these guidelines regularly—but the [Community G]uidelines are 7 sufficient cause for Uber to take action." Those Community Guidelines, among other things, 8 counsel drivers: "It may be a good idea to stay away from personal topics that can potentially be 9 divisive, like religion and political beliefs." Uber can prevent drivers from working with no prior 10 notice. Its Community Guidelines state: "If we are made aware of potentially problematic 11 behavior, we may contact you so we can look into it. We may, at our sole discretion, put a hold 12 on your account or turn your account inactive until our review is complete." Uber's policies are 13 available at https://www.uber.com/legal/en/document/?country=united-14 states&lang=en&name=general-community-

15 guidelines&\_ga=2.82086358.1108171285.1603313261-1530897627.1603313261.

16 28. These policies make clear to drivers that Uber is carefully monitoring the drivers'
17 actions, including their use of Uber's app.

# A. Uber is Promoting Proposition 22 to Evade Its Obligations as an Employer Under California Law

29. Plaintiffs and all other California drivers are properly classified as employees and
are entitled to California Labor Code sections 1101 and 1102's protections, as well as to the
protections of all other provisions of state law that apply to "employees" rather than "independent
contractors."

30. The California Supreme Court landmark decision in *Dynamex*, 4 Cal. 5th 903,
clarified California law and established the ABC test for determining whether workers are
"suffered or permitted to work" and are therefore "employees" rather than "independent
contractors" under California law.

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# CLASS ACTION COMPLAINT

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3 32. Uber and other gig economy employers devoted substantial efforts to lobbying the 4 Legislature to obtain an exemption from AB 5, and they failed. According to Judge Dolly M. 5 Gee of the Central District of California, who rejected a challenge to Legislature's decision not to 6 carve out gig economy companies like Uber from the responsibility to treat their core workers as 7 "employees," the "Legislature was not improperly motivated by animus or lobbying" in their 8 unwillingness to create an exemption for the "gig economy." (Lydia Olson, et al. v. State of 9 California, et al., Case No. CV 19-10956-DMG (RAOx), Sept. 18, 2020, Order Re Defendants' 10 Motion to Dismiss (Dkt. No. 76), at 10.)

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33. Uber and other similarly situated companies then turned their sights to a ballot
initiative, identified on the upcoming November 2020 ballot as Proposition 22, which those
companies drafted and have thus far spent more than \$188 million dollars to promote, including
through the unlawful means alleged herein. (*See* https://www.sos.ca.gov/campaign-lobbying/calaccess-resources/measure-contributions/2020-ballot-measure-contribution-totals/proposition-22changes-employment-classification-rules-app-based-transportation-and-delivery-driversinitiative-statute (last visited Oct. 21, 2020).)

# **B.** Proposition 22 Offers Considerably Fewer Protections to Uber Drivers Than Current California Law Provides

34. If passed by the electorate, Proposition 22 would reclassify employees who drive
for app-based rideshare and delivery companies, including Plaintiffs and all class members. (See
Proposed Bus. & Prof. Code § 7451 (available at

- 23 <u>https://vig.cdn.sos.ca.gov/2020/general/pdf/topl-prop22.pdf</u> (last visited October 20, 2020).)
- 24 Those drivers would lose the benefits and protections that they are currently entitled to as
- 25 "employees" under California law. (*Id.*, §§ 7453-7457.) The chart below demonstrates how
- 26 Proposition 22, if enacted into law, would dramatically reduce the protections currently
- 27 guaranteed to employees under California law:
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	Under Current State and Federal Law	Under the Ballot Proposition
Wages	Clear minimum wage; guaranteed overtime (150 percent of wages for work over 8 hours in one day, 40 hours in one week)	No overtime; workers would be eligible to earn 120 percent of the local minimum wage, but only for "engaged time" (time picking up and transporting passengers), and would not be compensated for the time they must be signed onto the app to wait for a fare or for any other required work time
Expense Reimbursement	All expenses reimbursed (mileage, cell phones, car cleaning, etc.) – standard IRS rate is over 57 cents pers mile	Thirty centers per mile, but only mileage expenses for "engaged" miles (e.g., no reimbursement for time without package/passenger)
Workers' Compensation	No-fault coverage for work-related injuries	Not "no-fault," easier for insurers to deny coverage
Paid Family Leave	Eight weeks of paid leave	None
Paid Sick Days	Three days of paid leave for illness or care of family – up to ten in some cities; additional COVID-19 leave in some cities	None
Unemployment Compensation	Up to 26 weeks of cash benefits after no- fault job loss	None
Disability Insurance	Lifetime access to wage replacement if injured	Limited – caps total coverage for 104 weeks
Health Insurance	Access to federal benefits under the Affordable Care Act	Limited – stipend only available to drivers who work over 15 hours o "engaged" time for one company, and calculated based on "engaged time, reducing the benefit amount
Discrimination	Protection against discrimination based on a broad set of characteristics	No explicit protection against discrimination based on immigration status
Right to Organize and Collectively Bargain	Could be created under state law	None
Protection from Retaliation	Protection from termination or discipline for reporting harassment, discrimination, or wage theft	None
Health and Safety	Requirements put in place injury prevention plans; give workers access to sanitation facilities	No similar requirement
(See Rey Fuentes, R	ebecca Smith, & Brian Chen, "Rigging the	Gig: How Uber, Lyft, and
	Initiative Would Put Corporations Above th	-
and Protections from	n California Workers" (July 2020), page 2 (	available at

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- https://s27147.pcdn.co/wp-content/uploads/Rigging-the-Gig Final-07.07.2020.pdf) (as modified).)
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#### С. Uber is Attempting to Direct Its Employees' Political Actions Through a **Coercive Campaign of Misinformation**

35. Uber is exerting extreme and wrongful pressure on its drivers to vote for and 5 advocate for the passage of Proposition 22 in the 2020 election. In plain violation of the worker 6 free-political-choice guarantees of Labor Code section 1101, Uber developed, funded, and ruthlessly implemented its statewide campaign of controlling, directing, and tending to control or direct the political activities or affiliations of its drivers.

36. Through Uber's app, it communicates directly with its entire fleet of drivers. Drivers must use the app to obtain work, because Uber assigns and tracks rides through its app, accepts customer payments through its app, and does not make any other means of communications or operations available to its drivers or customers.

37. In or around August 2020, Uber began forcing its drivers to read Uber's barrage of 14 misinformation about Proposition 22. These messages appear in three different ways.

38. First, when drivers sign on to the app, the first screen they see has sometimes 16 contained a directive to vote yes on Proposition 22, along with links to further information. The driver must click through Uber's instructions and information regarding Proposition 22 to begin accepting rides.

39. Second, when drivers sign off, the log off screen often directs them to vote for 20 Proposition 22. Many drivers repeatedly log on and off the app during a shift. 21

40. Third, Uber messages its drivers asking them to take action to support Proposition 22 22, to vote for Proposition 22, and to read Uber's misleading information about Proposition 22. 23 When drivers are using the app, they can see when they have unread messages in their inboxes. 24 If they are not using the app, it sends them notifications that appear on banners on their phones 25 notifying them that they have a message from Uber. Uber drivers are incentivized to check their 26 messages. For example, Uber messages drivers about "quests," which provide drivers the 27 opportunity to earn more by reducing Uber's fees when the drivers reach certain trip goals in a 28

1 set amount of time.

41. A representative sample of Uber's solicitations and advertising materials are
attached hereto as Exhibit A, which are true and correct copies of the solicitations and advertising
materials that Plaintiff Valdez, like all other similarly situated Uber drivers in California, recently
received upon logging into Uber's app.

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1. <u>Uber is Threatening its Drivers with the Loss of Their Employment</u>

42. Uber is using unlawfully coercive tactics and wrongful threats of job loss to
pressure its employees into voting for Proposition 22 and into providing material support to Uber
and other gig economy employers in their efforts to promote Proposition 22 through false
statements, omissions of essential facts, and misrepresentations, including misrepresentations
concerning the supposed overwhelming support for Proposition 22 from those companies' own
drivers.

13 43. Uber has directly threatened in public statements that its drivers would lose their jobs if Proposition 22 fails at the ballot box and Uber is required to pay its employees as 14 15 "employees" and to pay taxes to state and local government as an "employer" of those 16 "employees." On August 19, 2020, after the San Francisco Superior Court (Schulman, J.) 17 enjoined Uber from continuing to misclassify its drivers as independent contractors, Uber 18 communicated to its drivers through misleading public messaging that it would be impossible for 19 Uber to continue providing rides in California – meaning all drivers would lose their jobs – 20 unless Proposition 22 passed. Uber plainly stated in its public statements that it would have no 21 choice in the matter. CEO Dara Khosrowshahi said, "Whether we close down or not is really up 22 to the courts and it's totally out of our control at this point." Without a stay of the Superior Court's injunction, Mr. Khosrowshahi said, "Essentially the service has to shut down."1 23

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<sup>1</sup> <u>https://www.politico.com/states/california/story/2020/08/19/uber-and-lyft-threaten-to-take-their-cars-and-go-home-1310414; see also https://www.marketplace.org/2020/08/20/uber-lyft-can-keep-driving-california-for-now/ ("Uber CEO Dara Khosrowshahi had repeatedly said its service would have no choice but to stop providing rides in California if the state's law goes into effect."); <u>https://www.fastcompany.com/90542330/california-countdown-begins-as-lyft-threatens-to-shut-down-tonight-at-1159-p-m</u> ("Uber said, 'We've appealed this decision, but if we are not successful in our appeal, we will need to temporarily shut down by Thursday night."").
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1 taken to a screen elaborating on these threats:

Ex. A at 41-43. In this screen, Uber explains, "The California Attorney General obtained a court
order that requires rideshare companies to hire drivers as employees—immediately—or else shut
down. We've appealed this decision, but if we are not successful in our appeal, we will need to
temporarily shut down by Thursday night."

6 46. Uber has also threatened its drivers, and has announced to the public at large
7 (including plaintiffs and class members), that if Proposition 22 does not pass, its entire workforce
8 will have to reapply for their jobs and only "3 out of 10 drivers [rather than none] would be hired
9 as higher prices and longer wait times reduce demand for rides." Ex. A at 16.

47. On another page of its app, Uber argues to drivers that a "No on Prop 22" will result in a "Limited number of drivers allowed on the platform (only 20-30% of current drivers)." Ex. A at 6. Uber is explicitly threatening a loss of employment for between 70% to 100% of its workforce in order to pressure its drivers to engage in political activity supporting Proposition 22 and supporting Uber's efforts to mislead the electorate into believing that Proposition 22 actually enjoys far broader driver support than it does.

16 48. Uber's threat of loss of driver employment if Proposition 22 fails are false and 17 misleading because Uber could choose to continue its operations in California, even with its 18 drivers properly classified as "employees," as long as it complies with all applicable laws - as it 19 should have been doing for years. If Uber decides to shut down its operations in California, or 20 70% of its operations in California, that would be a choice made by Uber for its own 21 discretionary internal business reasons. Such a result would neither be compelled by law or 22 circumstances. Yet Uber never disclosed to its drivers that Uber alone will make that decision, or 23 that the decision to leave California or, alternatively, to eliminate 70% of its driver workforce, is 24 just another business decision based on Uber's assessment of its short- and long-term profit 25 projections.

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# 49. Not only does Uber repeatedly and materially mislead its drivers about the

Which It Uses to Further Support Its Proposition

Uber Directs Its Employees to Engage in Specific Political Activities,

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supposedly inevitable or immutable outcomes if Proposition 22 passes or fails to pass, Uber
 deploys that misleading to coerce its drivers to take affirmative steps to manifest their support for
 Proposition 22. This includes asking drivers to respond to Uber's opinion surveys, which Uber
 can monitor – and thus reward or punish as it sees fit.

5 50. Uber uses the submission form below to solicit videos of support from its drivers,
6 each of whom is reasonably aware that Uber will know whether or not that driver has submitted a
7 video and what the content of that video may be, and that Uber has the power to punish any
8 employee who does not submit a supporting video:

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submission form
We want to hear your story and thoughts on Prop 22, submit your video by following the steps below. If you'd like to learn more about the Prop 22 visit the website: <u>https://prop22facts.com/join/?source=uber</u>
* Required

Sharing your stories -

Film a 30-60 second video of yourself answering the questions listed below. Hold your phone up to eye level, use the frontfacing camera on your phone, and try and hold the phone as steady as possible. Your face should be centered and should fill the majority of the frame, see the photo below. Record one, continuous video of yourself answering the questions below, as well as anything else you'd like to share.

- O Introduce yourself, what's your name? Example: Hi, my name is...
- O What city do you driver or deliver in? Example: I drive in...

Why is, or isn't, flexibility important to you? Example: Flexibility is important to me because...

Do you support Prop 22? Example: I support Prop 22

O Why do you support or not support Prop 22? Example: I support Prop 22 because...

Option 6

Ex. A at 23-24. The App's survey strongly suggest to the reader that Uber is soliciting videos
that support the Yes on Prop 22 campaign, for example by asking the drivers to address "Why is,
or isn't, flexibility important to you?," to suggest as an answer to "Do you support Prop 22?
Example: I support Prop 22," and to suggest as an answer to "Why do you support or not support
Prop 22? Example: I support Prop 22 because. .."
At no time in any of these materials does Uber assure the drivers that it will not

26 monitor their answers or that it will not, now or in the future, favor those drivers with better work

27 opportunities if they actively support Uber's efforts to solicit favorable videos and other

28 statements, or to punish others who do not.

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	3.	<u>While Providing Drivers with Misinformation about Proposition 22,</u> <u>Uber Also Asks Drivers to Declare Their Support for the Proposition</u>
52.	In add	lition to asking drivers to provide media to support Proposition 22, the
company als	o uses th	e driver app to ask drivers whether they support Proposition 22, which
enables Ube	r to tell t	he public how popular Proposition 22 is among its workforce:
		Do you support Prop 22?
		Let us know where you stand. We'd like to let your customers know if you support Prop 22.

Yes, I support Prop 22

No, I don't support Prop 22

I'm not sure

Ex. A at 35. By the time a driver reaches this page in the drivers app, Uber has already made its 11 position abundantly clear, and any driver will reasonably understand that Uber is not only 12 strongly encouraging the driver to answer the survey by stating, "Yes, I support Prop 22," but 13 that Uber is also uniquely positioned, as the driver's employer, to reward or punish those drivers 14 who answer, or fail to answer, those survey questions in the manner Uber has implicitly 15 demanded. Drivers could reasonably believe that if they do not state explicitly that they support 16 Proposition 22, Uber will deactivate them from the platform or decline to match them with 17 favorable rides. 18

19 53. Uber has also repeatedly prompted drivers to declare their support for Proposition
20 22. One of these prompts, pictured below, only provides the opportunity for drivers to vote
21 "YES ON PROP 22" or "OK." This pressures drivers to accept Uber's position because it does
22 not provide an option to vote no.





1 Ex. A at 40. Uber then solicits its drivers to provide similar Yes on Prop 22 videos, instructing 2 those drivers to, "Send us a video and share your story about what the benefits of Prop 22 would 3 mean for you. Together, we can make our voices heard," further suggesting that the drivers' 4 voices should be aligned with Uber's voice, and again failing to provide any assurance that Uber 5 would not retaliate against those workers who did not cooperate or favor those workers who did 6 cooperate. (emphasis added.) 7 Click here to watch 8 We want to hear from you, too. 9 Send us a video and share your story about what the benefits of Prop 22 would mean for 10 you. Together, we can make our voices heard. PH (415) 434-9800 | FX (415) 434-0513 | www.rezlaw.com 11 Record your story > Let riders know you support Prop 22 > 12 SAN FRANCISCO, CALIFORNIA 94104 13 A growing number of voices are joining drivers in support of Prop 22. 14 This weekend, two major newspaper editorial boards endorsed Prop 22: 15 56. In a segment titled "Help," Uber instructs, "Take our online poll" and "Let us 16 know where you stand on Prop 22," alongside the "Yes 22" official campaign logo, to remind the 17 drivers of its guidance on how to answer: 18 Help 19 Take our online poll Let us know where you stand on Prop 22. 20 21 22 23 Paid for by Liber Teel 24 Ex. A at 1, 45. This online poll, like all of the "survey" questions posed by Uber to its drivers, 25 allows Uber to monitor each driver's response or non-response, and thus to determine which 26 employees to favor and which to disfavor with more or better rides or future re-employment if 27 Proposition 22 fails and all drivers are required to re-apply for employment. 28 111 18 CLASS ACTION COMPLAINT

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1 57. Another screen shows the purported results of the "online poll" solicited in the 2 earlier screen, stating: "72% of drivers and delivery people have already said they're voting 3 yes on Prop 22. Together, we can secure the future of flexible work. That's why we're fighting 4 so hard to pass Prop 22." Ex. A at 11. This statement is false and misleading because it suggest 5 that 72% is an accurate, unbiased figure, when it fact it is the consequence of the many pressures 6 to conform to Uber's preferred position, as alleged herein.

#### 4. Uber Is Explicitly Directing Its Employees to Vote Yes on Proposition 22

58. Over and over again, Uber explicitly urges its employees to vote yes for 9 Proposition 22 and including through its frequent placement of the official logo of the "Yes on Prop 22" campaign within the app:



Ex. A at 1-3, 8, 15, 20, 28-30, 32-34, 37, 39, 44-46.

16 59. At the end of a series of screens in which Uber represents what the supposed 17 detrimental effect on rides would be if Proposition 22 does not pass, Uber tells its workers, "Your 18 support is critical. Vote yes on Prop 22." The "Vote yes on Prop 22" linked is hyperlinked to the 19 official campaign.



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1 60. In another screen, the "Yes 22" official campaign logo is at the top, followed by
 2 the larger official campaign logo "YES ON PROP 22 Save App-Based Jobs & Services." Uber
 3 tells drivers on this screen, "During an economic crisis where millions of Californians are out of
 4 a job, the state should be focusing on creating job opportunities, not threatening your right to
 5 choose flexible and independent work." Below that, Uber presents an image of a check mark in a
 6 box, with the text "SOLUTION: Yes on Prop 22 Save App-Based Jobs & Services."



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1 support for Proposition 22 by misleadingly emphasizing Proposition 22's supposed driver 2 benefits to Uber drivers without acknowledging that those benefits are far less protective and 3 comprehensive than the benefits currently available to those drivers as "employees" under current 4 California law. 5 65. For example, Uber makes misleading statements in the messages to drivers on its 6 driver app concerning the earnings guarantee, expense reimbursement policy, and anti-7 discrimination protections that would be available if Proposition 22 passes: We believe a better way to 8 work is possible 9 Apps like Uber are great for finding flexible work that can help you make ends meet. But it can 10 sometimes be hard to know exactly how much you will make by driving or delivering food. PH (415) 434-9800 | FX (415) 434-0513 | www.rezlaw.com 11 That's why we're fighting for Prop 22: it will give In this case, the driver would have a total you an earnings guarantee so that you can 12 earnings guarantee of \$462. SAN FRANCISCO, CALIFORNIA 94104 always know the minimum you will earn for your time. • \$0.30 x 500 miles = \$150 13 1.2 x \$13 x 20 hours = \$312 Prop 22's earnings guarantee includes: • \$150 + \$312 = \$462 total minimum earning guarantee 14 · Minimum earnings: If you earn less than the guarantee (120% of minimum wage So, in this example, if the driver makes less than 15 over 2 weeks) Uber will pay you the \$462 (\$23.10/hour in this case), Uber would pay the driver the difference. difference. 16 Expense reimbursement: This earnings In addition to this earnings guarantee, Prop 22 guarantee includes \$0.30 per mile to would also give you access to new benefits, like account for your expenses, such as gas 17 healthcare, and new protections against and vehicle wear-and-tear. discrimination No upper limit: The minimum is just that— 18 To make this a reality, we need to update our a minimum. There's no upper limit to how outdated laws. We need Californians to vote much you can earn on the app. YES on Prop 22. 19 • Tips are on top: As always, you keep 100% of the tips you earn for the service you We believe drivers and delivery people deserve provide. And these tips are not included in better. We will continue to advocate for you and 20 how the minimum guarantee is do everything we can to keep you moving in calculated. California 21 Ex. A at 25-26. 22 66. Another set of messages promoted by Uber on its driver app make misleading 23 representations about occupational accident insurance: 24 25 26 27 Save App-Based Jobs & Services 28 22 CLASS ACTION COMPLAINT CASE NO.

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22 by fidels, and would not compensate them for the other required work time, including the time
 23 required to be signed into the app to wait for a rider to solicit a ride, which is compensable work
 24 time under current California law.

68. Similarly, Uber's representation that Proposition 22 creates an entitlement to
expense reimbursements fails to reveal that under current law, Uber's drivers are already entitled
to a greater range of expense reimbursements, including for mileage, cell phone usage, and car
cleaning, and that the IRS's standard rate for mileage reimbursement is more than \$0.57 cents per

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mile – much higher than the \$0.30 provided for limited expenses under Proposition 22.

2 69. Uber further fails to reveal that Proposition 22's anti-discrimination protections 3 are far less protective than the protections currently guaranteed to employees under California 4 law, including most notably that Proposition 22 does not prohibit discrimination based on 5 immigration status. On information and belief, a high proportion of Uber drivers are immigrants 6 or are likely to be perceived as immigrants by Uber and the general public, and would be 7 protected by California's anti-discrimination laws but for Proposition 22, if the proposition 8 passes.

9 70. Uber further fails to reveal that its drivers, as employees, are currently entitled to 10 worker's compensation if they are injured and that in contrast to California's extensive worker's 11 compensation protection program, Proposition 22, if enacted, would not provide any coverage for 12 injuries to drivers who were "at-fault" for their on-the-job injuries. Uber further fails in its 13 messaging to reveal the limitations on Proposition 22's healthcare coverage.

#### 6. Uber Is Misleading Its Employees About the Consequences of **Proposition 22 Not Passing**

71. Uber's messages mislead its employees about the implications of Proposition 22 16 not passing. Uber misleadingly asserts in its messaging to its driver that if Proposition 22 fails to 17 pass, Uber's drivers will be required to re-apply for work, will lose their scheduling flexibility, 18 will lose their freedom to drive for more than one company, and will have to accept undesirable 19 riders thereafter. Nothing in the current law requires Uber to make these policy changes. 20 Nothing in California employment law precludes an employer from offering scheduling 21 flexibility to its employees or allowing employees to work part-time for multiple employers. 22 Nothing in California law requires an employer to force its workers to accept all available work 23 assignments or to provide services to all prospective customers (if those customers are not 24 rejected for unlawful reasons). And Uber's requirement that all driver employees will be 25 required to reapply to work in their existing jobs if Proposition 22 is defeated reinforces the 26 chilling effect of Uber's wrongful campaign of influence and coercion. After all, if an employer 27 retains the right to pick and choose which 30% (or other percentage) of its workforce it will "re-28

1 hire" after soliciting their mass resignations, the employees wishing to be re-hired will have a 2 strong economic incentive to curry favor and avoid upsetting their employer, and will be 3 pressured into demonstrating to their employer that they support that employer's preferred 4 political position, as here, where Uber has demanded that its employees affirmatively and 5 publicly support its Yes on Prop 22 campaign by submitting videos and written statements and by 6 responding to survey questions asking whether those employees support Proposition 22. 7 72. Repeating the "Yes 22" official campaign logo, Uber's App poses the question: 8 "What if Prop 22 doesn't pass?": 9 10 PH (415) 434-9800 | FX (415) 434-0513 | www.rezlaw.com 11 12 SAN FRANCISCO, CALIFORNIA 94104 13 14 What if Prop 22 doesn't pass? 15 See how app-based work might change 16 in California. 17 Ex. A at 15. 18 73. The next screens falsely represents, as if an immutable consequence of Proposition 19 22 not passing, that "Driving jobs would be limited," and that "We estimate only 3 out of 10 20 drivers would be hired as higher prices and longer wait times reduce demand for rides." Above 21 that message is a picture of an "Employee sign in" screen, suggesting that drivers who are 22 classified as employees must know their employee ID number and password to sign in, and if 23 they are not employees, they need to go through a process to "Apply now," with the outcome of 24 such an application in doubt: 25 /// 26 27 /// /// 28 25 CLASS ACTION COMPLAINT

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Yes on Prop No on Prop Driving experience with 22 22 Uber Work when and X where you want No upper limit on what you can X earn Work using X multiple apps Must accept all ×  $\checkmark$ trips Limited number of drivers allowed on the platform × (only 20-30% current drivers)

Ex. A at 12.

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# D. Uber Drivers are Protected by the Labor Code.

15 78. Plaintiffs and all other California drivers are properly classified as employees and 16 entitled to California Labor Code sections 1101 and 1102's protections. In California, as 17 confirmed by AB 5, workers are presumed to be employees unless the hiring entity can 18 affirmatively establish that all three factors of the "ABC" test exist. The three factors are: 19 (A) the worker is free from the control and direction of the hiring entity in connection with the 20 performance of the work, both under the contract for the performance of the work and in fact; 21 (B) the worker performs work that is outside the usual course of the hiring party's business; and 22 (C) the worker is customarily engaged in an independently established trade, occupation or 23 business of the same nature as the work performed. Dynamex, supra, 4 Cal. 5thh at 957; Lab. 24 Code § 2750.3(a)(1).

25 26

# 1. <u>Uber Drivers Perform Work Within the Usual Course of Uber's</u> <u>Business (Factor B).</u>

27 79. Uber's drivers perform work that is within the usual course of Uber's business.
28 Uber is a transportation company in the business of selling on-demand transportation services by

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4 80. Uber advert
5 transportation services. S
6 ride at any time and on an
7 Uber trademarked the slop
8 81. Uber has in
9 we are unable to attract on
10 appealing to platform uses

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assigning drivers to riders using its app. The Rasier Defendants, acting as instrumentalities of Uber as discussed above, are also transportation companies in the business of selling on-demand transportation services.

80. Uber advertises and markets itself to the public as providing on-demand
transportation services. *See* <u>https://www.uber.com/us/en/ride/</u> ("Rides on demand" "Request a
ride at any time and on any day of the year." (emphasis in original) (last visited Sept. 3, 2020)).
Uber trademarked the slogan "Everyone's Private Driver" to use in its business.

8 81. Uber has in fact admitted that drivers are at the heart of their business model. "If
9 we are unable to attract or maintain a critical mass of Drivers . . . our platform will become less
10 appealing to platform users, and our financial results would be adversely impacted . . . Any
11 decline in the number of Drivers . . . using our platform would reduce the value of our network
12 and would harm our future operating results."<sup>2</sup>

82. The work that Uber's drivers perform is the core purpose of Uber and the Rasier
Defendants' business. The fact that the Defendants use a mobile phone application as the means
to sell rides, including assign work to Drivers, pay drivers, collect payments from riders, and
communicate to drivers and riders, does not change the fact that Defendants are a transportation
company. Defendants' business simply would not exist without drivers.

18 83. Accordingly, Uber drivers, including Plaintiffs, perform work within the usual
19 course of Defendants' business.

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# 2. <u>Uber Drivers Are Engaged in the Same Business as Defendants</u> (Factor C).

84. Uber drivers, including Plaintiffs, are not engaged in an independently established
trade, occupation, or business of the same nature as the work they perform for Defendants. Uber
drivers, like Plaintiffs, are dependent on Defendants to identify riders for them.

- 25 26
- 27 <sup>2</sup> See Uber Securities and Exchange Com. S-1, pp. 28-29, emphasis in original; also available at
- 28 https://www.sec.gov/Archives/edgar/data/1543151/000119312519103850/d647752ds1.htm) (last visited Sept. 3, 2020).
  - 29

1 85. Plaintiffs and other Uber drivers are not engaged in their own on-demand 2 transportation business. Rather, they are providing transportation services to customers to 3 generate income for Defendants.

4 86. Plaintiffs and other Uber drivers do not need to possess any particular or special 5 skills other than those required to obtain a driver's license, to provide on-demand rides on Uber's 6 app. Defendants provide drivers with the necessary tool to perform their work for Defendants, 7 i.e., the Uber app.

8 87. Defendants' app is the only means that drivers can perform their work for 9 Defendants.

10 88. Defendants prohibit drivers from setting or in any way affecting the rates of pay 11 for their own services. Defendants are solely responsible for recording its drivers' rides, 12 including the time and distance for each ride, the ride fare and added Defendants' fees, any tips, 13 and for compiling its drivers' rates of pay for each ride. As a result, Defendants prevent drivers 14 from attaining the profits and losses that are a key characteristic of running an independent 15 business.

16 89. Defendants also prohibit Plaintiffs and other drivers from communicating with 17 riders about future ride services and from exceeding Uber's specified limit on the distance 18 allowed for each ride. As a consequence, drivers are prevented from marketing themselves for 19 repeat customers outside of Defendants' app.

20 90. Uber Drivers lack flexibility and independence in their work for Defendants 21 because Defendants limit drivers' ability to freely decline ride requests that drivers think will be 22 unprofitable, to see all ride requests in their area so they can decide for themselves regarding 23 their potential earnings, and to share their accounts with other drivers resulting in its drivers' 24 inability to individually expand their services.

25 91. Accordingly, Defendants' drivers are not engaged in an independently established 26 trade, occupation, or business as Defendants, and thus Defendants cannot satisfy factor C of the 27 ABC test.

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#### 3. Uber Controls and Directs its Drivers' Work (Factor A).

2 92. As a condition of employment, Defendants have required that their drivers, 3 including Plaintiffs and class members, enter into written agreements that, among other things, 4 direct the manner in which drivers perform their work, and control the terms of their 5 compensation. Defendants also maintain uniform policies and terms of service with which all 6 Uber drivers, including Plaintiffs, must comply.

7 93. Although Defendants' agreements require drivers to have the appropriate level of 8 training, expertise, and experience to provide transportation services in a professional manner 9 with due skill, care, and diligence; and maintain high standards of professionalism, service, and 10 courtesy, Defendants do not require drivers to have any experience or expertise upon 11 commencing employment. Defendants provide all such training to its Drivers.

12 94. Defendants also require its drivers to "undergo driver and criminal screenings" and "[e]xisting drivers must consent to annual screenings." (https://www.uber.com/us/en/ride/ (last visited Sept. 3, 2020)).

15 95. Defendants' agreements further require its drivers to acknowledge that when a 16 driver rejects or declines a User's ride request, the driver creates a negative experience for those 17 Users' of Uber's app. Such agreements discourage drivers from declining ride assignments.

18 96. Defendants determine which drivers are eligible to provide transportation services 19 on the app and have complete discretion to change the standards. For example, Defendants direct 20 the types of cars drivers may use on the app and the standards drivers' vehicles must meet.

21 97. Once drivers, including Plaintiffs, pass Defendants' initial requirements, they are 22 able to work for Uber for an indefinite period of time. However, Defendants may shut down or 23 deactivate drivers' ability to use the app or access to the Uber app for a myriad of reasons, such 24 as cancelling too many rides, not maintaining sufficiently high User satisfaction ratings, or taking 25 routes Defendants find inefficient, thus preventing drivers from obtaining and responding to ride 26 requests.

27 98. Drivers perform work for Defendants by logging into the Uber app, making 28 themselves available for assignments and visible to customers, which benefits Defendants. While

logged in, drivers typically receive ride assignments quickly, sometimes receiving a new ride
assignment before completing the existing ride. Once drivers receive an assignment, Defendants
allow them approximately 15 seconds to accept the assignment to drive that User to his or her
destination. Drivers who consistently do not accept a ride assignment may be temporarily logged
out from Defendants' app. Defendants have created this control system and have complete
discretion to change or eliminate it.

7 99. Defendants control the dispatch of users to drivers through Defendants' app,
8 thereby controlling which drivers receive which ride requests and when. As a result, Defendants
9 control a driver's work and pay.

10 100. Defendants' manner of assigning rides – including the frequency of ride
assignment messages, the very short window within which a driver can accept rides, and the
threat of termination for failure to accept the vast majority of rides – prevents drivers from
engaging in personal activities while logged into the Uber App.

14 101. Defendants, not drivers, set and collect the fares that users pay for rides, and set
15 the amount of compensation paid to drivers for providing transportation services to users.
16 Defendants also have discretion to increase the "service fee" charged to Drivers during times of
17 high user demand.

18 102. At Defendants' discretion, drivers' working conditions are constantly changing.
19 According to Uber, "[t]here are over 1,000 experiments running on our platform at any given
20 time." (Deb, *et al.*, *Under the Hood of Uber's Experimentation Platform* (Aug. 28, 2018),

21 <u>https://eng.uber.com/xp/</u> (last visited Sept. 2, 2020).)

103. Defendants, in January 2020, began testing a new feature in certain parts of
California that allowed drivers transporting Users to or from airports to increase fares in 10%
increments, up to five times Defendants' base fare. However, Users had the ability to reject rides
from Drivers charging more than the rate set by Defendants (unlike in the normal system, where
Users have no ability to affect the driver assignment process), and Defendants retained control to
assign a User pick-up to another driver Defendants deemed to be appropriate. Thus, this
experiment to allow drivers to charge higher fares ensured that control remained with Uber.

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1 Beginning in July 2020, Defendants offered a new feature designed to allow for 104. 2 driver flexibility and access to independent work. This feature, applicable to certain parts of the 3 State, allowed drivers to increase or decrease Uber's set base fares in 10% increments within a 4 range of 50%-150% of the base fare. However, Users continue to have the right to decline rides 5 at above-base rates, and Defendants continue to have complete control over the ride assignment 6 of drivers for user pick-ups. Because Uber retains significant control, this feature is insufficient 7 to satisfy the requirements of prong A.

8 105. Defendants control drivers' compensation. Defendants have sole discretion to 9 change fares and fare structures at any time. Uber has set driver compensation to generally be the 10 base fare plus a distance factor and/or time factor plus any promotions or surge fees, minus the 11 "service fee" and "booking fee" Defendants charge, tolls, taxes, and ancillary fees. Uber has 12 determined this pay structure, and drivers had no input into it.

13 106. Defendants also have sole control over invoicing, claim and fare reconciliation, 14 and resolution of complaints that arise from users and drivers, such as driver-user disputes, 15 allegations of driver or user misconduct, driver complaints concerning their compensation for 16 providing transportation services through the Uber app, as well as lost items, cleaning fees, and damaged vehicles. 17

18 107. Defendants control the routes drivers take. For example, if users complain to 19 Defendants about a drivers' route, Defendants have the power to adjust the fare paid to the driver, 20 and Defendants do in fact exercise that power.

21 108. Defendants have complete control over the terms of a ride assignment. When a 22 Driver is available to provide an on-demand ride, the Uber app shows and matches that driver 23 with only one user at a time, regardless of the number of nearby users. Likewise, when a user 24 requests an on-demand ride through the Uber app, the app shows and matches that user with only 25 one driver at a time, regardless of the number of nearby users. Accordingly, Defendants are 26 selectively steering one another through the centralized direction of its app.

27 109. Defendants' app does not disclose User information about drivers' experience and 28 vehicles, thereby limiting drivers' ability to market and differentiate themselves and increase

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1 their earnings like an independent contractor would.

2 Defendants track drivers through the app. Drivers must notify Defendants through 110. 3 the app the status of their ride assignment at every step, including acceptance of the User's ride 4 request, arrival to the User's pick-up location, start of the ride, and end of the ride. Defendants 5 constantly monitor and control drivers' behavior while drivers are using the app.

6 Defendants monitor drivers' work hours. If a driver reaches the twelve-hour 111. 7 driving limit, Defendants log the driver off the app for six hours, preventing the driver from 8 obtaining and responding to ride requests.

9 To maintain and protect brand recognition, reputation, and value, Defendants have 112. 10 detailed rules for drivers to follow to create a uniform ride experience. These rules, which 11 Defendants refer to as "suggestions" or "tips," cover matters such as music, vehicle cleanliness, 12 and prohibited conversation topics.

13 113. Defendants further monitor and control drivers through the use of a user rating 14 system that Defendants uses to assess the performance of drivers and to make decisions about 15 disciplining or terminating drivers. The app solicits feedback and prompts users and drivers to 16 rate one another from one to five stars. If the average rating of a driver falls below a certain 17 threshold set by Defendants, Defendants may suspend or terminate that driver from using the app.

18 114. Defendants also direct driver behavior by making use of algorithms where 19 Defendants unilaterally and periodically engage in "surge pricing" to get drivers to drive in 20 certain geographic areas and during times as needed to provide transportation services to users. 21 Once Defendants have secured a sufficient number of drivers to respond to user needs, 22

Defendants cancel the "surge." 23 115. Accordingly, drivers, are not free from the control and direction of Defendants in 24 connection with the performance of their work for Defendants. Defendants, thus, cannot satisfy

factor A of the ABC test. 25

26 V. **CLASS ACTION ALLEGATIONS** 

27 This action is brought and may properly be maintained as a class action pursuant 116. 28 to Code of Civil Procedure section 382.

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#### 1 117. Plaintiffs Valdez and Castellanos bring this action, on behalf of themselves and a 2 class initially defined as follows: 3 All individuals who have registered as drivers with Uber and have used the Uber driver app in the State of California from the date 4 Uber began placing Proposition 22 advertising on the driver app to the present (the "Class"). 5 The Class Members Are Numerous and Ascertainable. A. 6 118. The proposed Class is so numerous that it is impracticable to bring them all before 7 the Court. Plaintiffs estimate that there are 200,000 Class Members in California. The number 8 and identities of the Class members may be ascertained from Defendants' records and files and 9 may easily be notified about the pendency of this action through individually mailed notice 10 and/or notice by publication. 11 B. There Is a Well-Defined Community of Interest. 12 119. In order to determine if there is a well-defined community of interest such that the 13 question is one of a common or general interest, a court should consider: (1) whether common 14 questions of law and facts predominate; (2) whether the class representative's claims or defenses 15 are typical of the class; and (3) whether the class representative can adequately represent the 16 class. 17 1. **Common Questions of Law and Facts Predominate.** 18 120. This action presents questions of law and facts common to the Class, including, 19 but not limited to, the following: 20 Whether Defendants violated Labor Code sections 1101 and/or 1102; 21 b. Whether Defendants violated the unlawful prong of the Unfair Competition 22 Law by violating Labor Code sections 1101 or 1102; 23 Whether Defendants violated the unfair prong of the Unfair Competition Law; c. 24 d. Whether Defendants violated the fraudulent prong of the Unfair Competition 25 Law by disseminating deceptive information to Class Members and the public 26 regarding Proposition 22; 27 Whether Plaintiffs and Class members are entitled to declaratory relief; and e. 28 35 CLASS ACTION COMPLAINT CASE NO.
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practices alleged herein.

## violation of California law.

The Class Representative Can Adequately Represent the Class.

Plaintiffs' claims are typical of the claims and of the members of the Class

Plaintiffs' Claims Are Typical of the Class's Claims.

Whether Defendants should be enjoined from continuing the unlawful

122. Plaintiffs will fairly and adequately represent and protect the interests of the Class, 9 because Plaintiffs have no interests that are antagonistic to or that irreconcilably conflict with 10 those of other Class members. Plaintiffs have retained counsel competent and experienced in the 11 prosecution of class action litigation of employment claims.

because like members of the Class, Plaintiffs were subject to the complained-of practices in

#### C. A Class Action Is Superior to All Other Available Methods for the Fair and Efficient Adjudication of Plaintiffs' and Class Members' Claims

123. A class action is superior to all other available methods for the fair and efficient 14 adjudication of Plaintiffs' and Class members' claims. A class action is superior to preserve 15 Class members' claims who would otherwise forego litigation given the burden and expense of 16 individual prosecution of their claims, in comparison to the amount of damages or other harms 17 suffered by each individual Class member. Individualized litigation would burden the courts, 18 would increase the delay and expense to all parties and the Court, and would produce the 19 potential for inconsistent or contradictory judgments and would establish incompatible standards 20 of conduct for Defendants. The individual prosecution of separate actions would create a risk of 21 adjudications that may be dispositive of the interests of other Class members not parties to the 22 adjudications, or that may substantially impair or impede their ability to protect their interests. 23 Further, final public injunctive relief is appropriate against Defendants with respect to members 24 of a Class as a whole, as opposed to individual injunctions. Certification of a class action to 25 resolve these disputes will reduce the possibility of repetitious litigation involving thousands of 26 Class members and allow supervision by a single court. 27

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1	FIRST CAUSE OF ACTION
2	(Violation of Labor Code section 1101)
3	(By Plaintiffs individually and on behalf of the Proposed Class)
4	124. Plaintiffs hereby incorporate all other paragraphs of this Complaint and restate
5	them as if fully set forth herein. Plaintiffs bring this claim individually and on behalf of the
6	proposed Class.
7	125. Labor Code section 1101 prohibits employers from making, adopting, or enforcing
8	any rule, regulation, or policy that forbids or prevents employees from engaging or participating
9	in politics, or controls or directs, or tending to control or direct the political activities or
10	affiliations of employees.
11	126. Sections 1101 and 1102 protect "the fundamental right of employees in general to
12	engage in political activity without interference by employers." (Gay Law Students Assn., 24 Cal.3d
13	at 487 (quoting Fort v. Civil Service Commission (1964) 61 Cal.2d 331, 335).)
14	127. There is a private right of action for an employer's violation of Labor Code
15	section 1101. (Lab. Code, § 1105; Lockheed Aircraft Corp. v. Superior Court of Los Angeles
16	County (1946) 28 Cal.2d 481, 486; Gay Law Students Assn., 24 Cal.3d at 488-89.)
17	128. By the conduct alleged herein, Uber has made, adopted, and enforced a policy,
18	applicable to all of its drivers in the State of California, that controls or directs, or tends to control
19	or direct the political activities of those drivers with respect to Proposition 22.
20	129. By its false and misleading statements, its solicitations of support for Proposition
21	22, and its solicitation of survey responses and written and videotaped messages of support for
22	Proposition 22, which Uber monitors and can reward or punish as it sees fit through favorable or
23	adverse work assignments, Uber has interfered with its drivers' right to freely engage or refrain
24	from engaging in political activity pertaining to their support, opposition, or neutrality concerning
25	Proposition 22.
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Ī	CLASS ACTION COMPLAINT CASE NO.
	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27

RUDY EXELROD ZIEFF & LOWE LLP 351 CALIFORNIA STREET, SUITE 700 SAN FRANCISCO, CALIFORNIA 94104

	1	SECOND CAUSE OF ACTION		
	2	(Violation of Labor Code section 1102)		
	3	(By Plaintiffs individually and on behalf of the Proposed Class)		
	4	130. Plaintiffs hereby incorporate all other paragraphs of this Complaint and restate		
	5	them as if fully set forth herein. Plaintiffs bring this claim individually and on behalf of the		
	6	proposed Class.		
	7	131. Labor Code section 1102 prohibits employers from using the of threat of discharge		
8 or loss of employment to coerce or influence or attempt to coerce or influence its employees		or loss of employment to coerce or influence or attempt to coerce or influence its employees to		
	9	adopt or follow or refrain from adopting or following any particular course or line of political		
	10	action or political activity.		
v.com	11	132. Sections 1101 and 1102 protect "the fundamental right of employees in general to		
PH (415) 434-9800   FX (415) 434-0513   www.r	12 engage in political activity without interference by employers." ( <i>Gay Law Students Assn.</i> , 2			
	13	at 487 (quoting Fort, 61 Cal.2d at 335).)		
	14	133. There is a private right of action for an employer's violation of Labor Code		
	15	section 1102. (Lab. Code, § 1105; Lockheed Aircraft Corp., 28 Cal.2d at 486; Gay Law Students		
	16	Assn., 24 Cal.3d at 488-89.)		
	17	134. By the conduct alleged herein, Uber has used the of threat of discharge and loss of		
	18	employment to coerce and influence and to attempt to coerce and influence its driver employees		
	19	to adopt or follow Uber's preferred political stance regarding Proposition 22 and refrain from		
	20	adopting or following any negative position regarding Proposition 22.		
	21	135. By threatening its California driver employees that it will cease operations in		
	22	California unless Proposition 22 passes, Uber has used the threat of discharge and loss of		
	23	employment to coerce or influence its drivers to support Proposition 22.		
	24	136. By threatening its California driver employees that it will cease operations in		
	25	California unless Proposition 22 passes, Uber has used the threat of discharge and loss of		
	26	employment to coerce or influence its drivers to provide material support, including public		
	27	statements and survey results, to Uber in efforts to obtain enactment of Proposition 22.		
	28	///		
		38 CLASS ACTION COMPLAINT		

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CASE NO.

1 137. By threatening its California driver employees that they will be terminated and 2 forced to re-apply for jobs unless Proposition 22 passes, and that only 30% of them will be re-3 hired, Uber has used the threat of discharge and loss of employment to coerce or influence its 4 drivers to support Proposition 22.

5 By threatening its California driver employees that they will be terminated and 138. 6 forced to re-apply for jobs unless Proposition 22 passes, and that only 30% of them will be re-7 hired, Uber has used the threat of discharge and loss of employment to coerce or influence its 8 drivers to provide material support, including public statements and survey results, to Uber in its 9 efforts to obtain enactment of Proposition 22.

## NOTICE OF THIRD CAUSE OF ACTION

(The Private Attorneys General Act ("PAGA"), Labor Code section 2698 et seq.) (By Plaintiffs Valdez and Castellanos individually and on behalf of the LWDA and all aggrieved employees)

14 139. Plaintiffs Valdez and Castellanos hereby incorporate all other paragraphs of this 15 Complaint and restate them as if fully set forth herein. Plaintiffs bring this claim individually and 16 on behalf of the proposed Class.

17 140. Plaintiffs Valdez and Castellanos are in the process of satisfying the 18 administrative exhaustion requirements of PAGA. Upon completion of that process, Plaintiffs 19 will seek leave to amend the complaint to seek civil penalties on behalf of themselves and all 20 other aggrieved employees, should the LWDA decline to prosecute these claims.

21 141. The amended cause of action will be based on Uber's violation of Labor Code 22 sections 1101 and 1102 by (1) making, adopting, and/or enforcing rules, regulations, and/or 23 policies preventing Plaintiffs and the proposed class from engaging or participating in politics 24 and controlling, directing, or tending to control or direct the political activities or affiliations of 25 Plaintiffs and the proposed class and (2) coercing, influencing, and/or attempting to coerce or 26 influence Plaintiffs and the proposed class through or by means of threat of discharge or loss of 27 employment to adopt or follow or refrain from adopting or following particular courses or lines 28 of political action or political activity. Specifically, Uber has publicly threatened mass layoffs of

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## CLASS ACTION COMPLAINT

1 its drivers if Proposition 22 fails to pass in the upcoming November 2020 election, and Uber has 2 simultaneously applied enormous pressure on its drivers to vote for Proposition 22 in the 3 upcoming election.

#### FOURTH CAUSE OF ACTION

## (Violation of the Unfair Competition Law ("UCL"), Business and Professions Code section 17200 et seq.)

(By Plaintiffs Worksafe and Chinese Progressive Association)

8 142. Plaintiffs hereby incorporate all other paragraphs of this Complaint and restate 9 them as if fully set forth herein. Plaintiffs bring this claim on their own behalf and on behalf of 10 the general public.

143. Plaintiffs Worksafe and CPA have suffered economic injury as a result of Uber's conduct as alleged herein, because they have been required to devote the time and resources of their paid staff members to respond to Uber's tactics to spread misinformation about the drivers' rights as a means of coercing and influencing the drivers' political activity.

144. For the reasons alleged in the preceding paragraphs, Uber's challenged practices are unlawful, unfair, and fraudulent within the meaning of the UCL.

17 145. Uber's practices as alleged herein violate Labor Code sections 1101 and 1102 18 because by sending false and misleading messages to its captive audience drivers, and by 19 threatening those drivers with job loss and other adverse employment consequences actions if 20 they do not provide material support to Uber's Yes on Prop 22 campaign. Uber controls, directs, 21 or tends to control or direct the workers' political activities or affiliations, and coerces, influences 22 and attempt to coerce or influence the drivers to adopt or follow or refrain from adopting or 23 following a particular course or line of political action or activity.

24 Uber's practices as alleged herein are unfair and anti-competitive. Those practices 146. 25 deprive drivers of their rights under California law to exercise free political choice and to refrain 26 from supporting their employer's preferred political outcomes. Those practices also harm Uber's 27 law-abiding competitors, including transportation companies like taxi companies and others that 28 do not have, or exercise, the ability to coerce captive audience employees to support their self-

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1 interested political agendas. In addition, Uber's practices constitute unfair business practices in 2 violation of the UCL because, among other things, they are immoral, unethical, oppressive, 3 unscrupulous, or substantially injurious to the drivers, and/or any utility of such practices is 4 outweighed by the harm caused to the drivers. Uber's practices violate the legislative policies of 5 the underlying statute alleged herein: namely, protecting people from unfair business practices 6 and preventing persons from being injured through misleading representations and through 7 interference with their political freedom and autonomy. Uber's practices caused substantial 8 injury to Plaintiffs and are not outweighed by any benefits, and Plaintiffs could not have 9 reasonably avoided these injuries.

10 147. Uber has and continues to violate the UCL through its ongoing business practices
11 as described herein.

#### VI. **PRAYER FOR RELIEF**

3.

WHEREFORE, Plaintiffs request that the Court order the following relief and enter judgment against Defendants as follows:

A. On behalf of Plaintiffs and the proposed Class, a declaration that Uber's
interference with drivers' political freedoms violates the applicable Labor Code provisions
alleged herein;

B. On behalf of Plaintiffs and the proposed Class, a temporary, preliminary, and
permanent injunction enjoining Uber from continuing to engage in the violations of Labor Code
sections 1101 and 1102 as alleged herein, including by:

 Enjoining Uber from using, now or in the future, any information gained as a result of monitoring its driver employees' responses to its Proposition 22 messaging as a basis of favoring or disfavoring such employees with respect to employment, work assignments, or other work related benefits or detriments;

25 2. Enjoining Uber between now and the upcoming election from continuing
26 to place false or misleading statements about the consequences of Proposition 22 passing
27 or failing on its driver apps;

Requiring Uber to inform each California driver that the driver has the

#### 41 CLASS ACTION COMPLAINT

CASE NO.

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right under California law not to be subjected to any employer policy that forbids or prevents that driver from engaging or participating in politics, or that controls or directs or tends to control or direct the political activities or affiliations of such driver, or to be threatened with the loss of employment in an attempt to coerce or influence the driver to adopt or refrain from adopting any political activity;

4. Requiring Uber to inform each California driver that the driver has the right under California law to vote for or against Proposition 22 or not to vote at all, and to provide or refrain from providing any support to any party advocating for or against Proposition 22, and that Uber will not monitor or otherwise use any information it may have obtained about any driver's support or non-support for Proposition 22 in favor or against that driver with respect to any work-related matter.

C. On behalf of Plaintiffs and the proposed Class, a declaration that Uber's interference with drivers' political freedoms is unlawful, unfair, and fraudulent in violation of the UCL;

D. An award of reasonable attorneys' fees and costs pursuant to Civil Code section 1021.5 and as otherwise allowed by law; and

E. Such other and further relief as may be available as part of the statutory claims
asserted herein or otherwise as may be deemed necessary or appropriate for any of the claims
asserted.

DATED: October 22, 2020

Respectfully submitted, RUDY, EXELROD, ZIEFF & LOWE, LLP

By:

DAVID A. LOWE JOHN T. MULLAN MICHELLE G. LEE MEGHAN F. LOISEL WILLIAM P. MCELHINNY Attorneys for Plaintiffs Benjamin Valdez, Hector Castellanos, Worksafe, and Chinese Progressive Association

42 CLASS ACTION COMPLAINT



# **EXHIBIT** A







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# Saving jobs and fighting for flexibility, together

Drivers and delivery people are voting yes because Prop 22 is progress. Prop 22 would secure your access to flexible work, while delivering benefits like:



## A minimum earnings guarantee

Earn at least 120% of minimum wage plus \$0.30 per mile for expenses, with no upper limit on how much you can earn.

#### Learn more >

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## Healthcare benefits

Receive a stipend of at least \$300\* a month (depending on how much you drive) toward health insurance or medical care.

#### Learn more >

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## Occupational accident insurance

Cover medical bills if you're injured while driving or delivering.

Here is a side-by-side comparison of what a yes or no vote would likely mean for your experience using liker

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or no vote would lik experience using U		our
Driving experience with Uber	Yes on Prop 22	No on Prop 22
Work when and where you want	~	×
No upper limit on what you can earn	~	×
Work using multiple apps	~	×
Must accept all trips	×	~
Limited number of drivers allowed on the platform (only 20-30% of current drivers)	×	~
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Make your voice heard by voting and talking to your customers.

Together, we can ensure that Prop 22 passes.

## Are you registered to vote?

October 19 is the final deadline to register online to vote. Make your voice heard!

Click here to check your voter registration status.

Click here to register to vote. Your registration must be electronically submitted or postmarked by October 19.

Eligible citizens who need to register or reregister to vote after October 19 can click here for a list of early voting locations where you can complete the same-day voter registration process.

#### Learn more

\*Based on yes on 22 estimates for 2019. Covered California will determine the 2021 amount.

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## Yes for safer communities

This week, Mothers Against Drunk Driving (MADD) came out in support of Prop 22, urging the public to vote yes because research shows that cities in California with ridesharing have seen double digit declines in DUI arrests.

MADD said in its endorsement that "We know that access to ridesharing helps reduce drunk and drug-impaired driving, keeping our roads and communities safe. Simply put: voting yes on Prop 22 will save lives."

We encourage you to read the full open letter.

It's drivers like you who have made this positive impact on your communities possible. Thank you.

MADD joins many other community groups like the California NAACP and the California Small Business Association—that are standing with you and supporting yes on Prop 22.

Make your voice heard and make sure your vote is counted. If you still need to register to vote,

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MADD said in its endorsement that we know that access to ridesharing helps reduce drunk and drug-impaired driving, keeping our roads and communities safe. Simply put: voting yes on Prop 22 will save lives."

We encourage you to read the full open letter.

It's drivers like you who have made this positive impact on your communities possible. Thank you.

MADD joins many other community groups like the California NAACP and the California Small Business Association-that are standing with you and supporting yes on Prop 22.

Make your voice heard and make sure your vote is counted. If you still need to register to vote, click here.

If you're voting early, you can now mail in or drop off your ballot. Or, you can vote in person on November 3.

Prop 22 is progress. Together, we can make it a reality.

	Register now	
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# How a yes or no vote on Prop 22 would affect you



72% of drivers and delivery people have already said they're supporting Prop 22. By joining them, you'll help create a better, more secure future for flexible work by delivering benefits that include:

- A minimum earnings guarantee
   Earn at least 120% of minimum wage plus
   \$0.30 per mile for expenses, with no upper
   limit on how much you can earn.
- Healthcare benefits
   Receive a stipend of at least \$300\* a
   month (depending on how much you
   drive) toward health insurance or medical
   care.
- Occupational accident insurance Cover medical bills if you're injured while driving or delivering.

This is what's at stake with Prop 22, and it's why we're fighting so hard to make it a reality.



· · · · · · · · · · · · · · · · · · ·	ng the app.	ely mean for
Driving experience with Uber	Yes on Prop 22	No on Prop 22
Work when and where you want	~	×
No upper limit on what you can earn	~	×
Work using multiple apps	~	×
Must accept all trips	×	~
Limited number of drivers allowed on the platform (only 20-30% current drivers)	×	~





Hi Benjamin,

72% of drivers and delivery people have already said they're voting yes on Prop 22. Together, we can secure the future of flexible work. That's why we're fighting so hard to pass Prop 22.

Prop 22 would protect the flexibility that drivers and delivery people like you value while also delivering new benefits you deserve, including:

An earnings guarantee

Earn at least 120% of minimum wage plus \$0.30 per mile for expenses, with no upper limit on how much you can earn.

- Healthcare benefits
   Receive a stipend of at least \$300\* a
   month (depending on how much you
   drive) toward health insurance or medical
   care.
- Occupational accident insurance Cover medical bills if you're injured while driving or delivering.

It's also important to understand how a no vote on Prop 22 could drastically impact the driver experience. Below, you can see a side-by-side comparison of what these 2 models would likely mean for your experience using the app.

Driving	Yes on Prop	No on Prop
experience with	22	22
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# What if Prop 22 doesn't pass?

See how app-based work might change in California.

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×	Employee sign in
	Employee ID
	Password
	Not an employee? Apply now →

# Driving jobs would be limited

We estimate only 3 out of 10 drivers would be hired as higher prices and longer wait times reduce demand for rides.







# Flexibility would be limited, too

As an employee, you would likely:

- \* Work a minimum number of hours
- \* Take only limited days off
- \* Be required to work on specific days







## Shifts would be scheduled

Right now you can go online anytime you want, but with scheduled shifts work would be limited to certain times of the day or week.







# Every trip would be accepted

Trips would be accepted automatically, and you'd have to work in an assigned area.







## Drivers deserve better

Your support is critical. Make your voice heard by talking to your customers. Vote yes on Prop 22.







## Hi Benjamin,

Your health and well-being matter to us, and we believe that access to healthcare is a human right.

While many drivers currently have access to healthcare, too many don't. And because healthcare has historically been tied to fulltime employment, it can be difficult to get covered if you want to work independently.

We want to ensure that choosing flexible work doesn't mean forgoing healthcare coverage. That's why we're fighting for Yes on Prop 22.

## Here's how it works:

- If you drive or deliver an average of 15 hours a week, you're eligible for at least \$150\* a month for healthcare and medical costs
- If you drive or deliver an average of 25 hours a week, you're eligible for the full contribution of \$300 a month
- Your weekly average consists of en-route and on-trip time over a calendar quarter

You'd receive this stipend from every rideshare or food delivery app you use, as long as you meet the same hourly thresholds.



You'd receive this stipend from every rideshare or food delivery app you use, as long as you meet the same hourly thresholds.

## Vote Yes on Prop 22

In addition to healthcare benefits, Prop 22 would give you access to **occupational accident insurance** to cover medical bills if you're injured while driving or delivering.

If Californians vote Yes on Prop 22, Uber would be able to extend these meaningful benefits to you and tens of thousands of drivers and delivery people like you.

Learn more >

## We want to hear from you

Let us know what Prop 22—and the benefits and protections it provides—means to you. Make your voice heard by sharing your story with us.

Record your story >

\*Based on Yes on 22 estimates for 2019. Covered California will determine the 2021 amount.

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# Sharing your stories submission form

We want to hear your story and thoughts on Prop 22, submit your video by following the steps below. If you'd like to learn more about the Prop 22 visit the website:

https://prop22facts.com/join/?source=uber

\* Required

Film a 30-60 second video of yourself answering the questions listed below. Hold your phone up to eye level, use the frontfacing camera on your phone, and try and hold the phone as steady as possible. Your face should be centered and should fill the majority of the frame, see the photo below.



	ord one, continuous video of yourself
	wering the questions below, as well as thing else you'd like to share.
0	Introduce yourself, what's your name? Example: Hi, my name is
0	What city do you driver or deliver in? Example: I drive in
0	Why is, or isn't, flexibility important to you? Example: Flexibility is important to me because
0	Do you support Prop 22? Example: I support Prop 22
0	Why do you support or not support Prop 22? Example: I support Prop 22 because
0	Option 6
Wh	at is your name? *
You	ranswer

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# We believe a better way to work is possible

Apps like Uber are great for finding flexible work that can help you make ends meet. But it can sometimes be hard to know exactly how much you will make by driving or delivering food.

That's why we're fighting for **Prop 22**: it will give you an earnings guarantee so that you can always know the minimum you will earn for your time.

Prop 22's earnings guarantee includes:

- Minimum earnings: If you earn less than the guarantee (120% of minimum wage over 2 weeks) Uber will pay you the difference.
- Expense reimbursement: This earnings guarantee includes \$0.30 per mile to account for your expenses, such as gas and vehicle wear-and-tear.
- No upper limit: The minimum is just that a minimum. There's no upper limit to how much you can earn on the app.
- Tips are on top: As always, you keep 100% of the tips you earn for the service you provide. And these tips are not included in how the minimum guarantee is calculated.

## How it would work:

The guarantee is calculated every 2 weeks:

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## How it would work:

The guarantee is calculated every 2 weeks:

## (\$0.30 x miles\*) + (1.2 x \$minimum wage x hours\*)

\*en route to pickup and on-trip only

For example, over 2 weeks, a driver in Los Angeles:

- Is en-route to pickups and on-trip for 500 miles
- For a total of en-route and on-trip time of 20 hours
- The minimum wage in Los Angeles is \$13

In this case, the driver would have a total earnings guarantee of \$462.

- \$0.30 x 500 miles = \$150
- 1.2 x \$13 x 20 hours = \$312
- \$150 + \$312 = \$462 total minimum earning guarantee

So, in this example, if the driver makes less than \$462 (\$23.10/hour in this case), Uber would pay the driver the difference.

In addition to this earnings guarantee, Prop 22 would also give you access to new benefits, like healthcare, and new protections against discrimination. ←

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# Rideshare in California is at risk

We may have to temporarily suspend ridesharing starting this week.

We know you rely on Uber to earn and hope that we're able to continue operating.

We remain committed to getting you access to new benefits and protections with Prop 22.

Learn more






# Prop 22: What's at stake?

Compare the likely driving experience with and without Prop 22.

Driving experience with Uber	Yes on Prop 22	No on Prop 22
Work when and where you want	~	×
No upper limit on what you can earn	~	×
Work using multiple apps	~	×

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Drivers deserve better See a comparison of work with and without Prop 22.

X

What if Prop 22 doesn't pass? See how app-based work might change in California.

Making drivers' voices heard

Hear drivers' personal stories about why Prop 22 matters to them.

#### Prop 22 healthcare benefits

Receive a stipend that you can put toward insurance or medical care.

#### Prop 22 earnings guarantee

A yes vote will bring new benefits, such as guaranteed earnings.

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## Prop 22 healthcare benefits

If Prop 22 passes, you can receive a stipend of at least \$300\* a month, paid by Uber, to put toward health insurance or medical care.



#### Eligible after 15 hours

You're eligible for at least \$150 a month if you work at least 15 hours a week on average



### Full stipend after 25 hours

If you work 25 hours or more a week on average, you'll get the full \$300 a month



## Prop 22 earnings guarantee

Vote yes on Prop 22, which includes an earnings guarantee that's at least 120% of your city's minimum wage.



#### Always know what you'll earn

If you earn less than the guarantee over two weeks, Uber will pay you the difference.



#### Cover your expenses

The guarantee includes \$0.30 per mile toward expenses like gas and vehicle wear-and-tear.





## Prop 22: A better way to work

Choosing flexible work shouldn't mean forgoing basic benefits. That's why we're fighting for Yes on Prop 22.



### Minimum earnings guarantee

Earn at least 120% of minimum wage plus \$0.30 per mile for expenses, with no upper limit on how much you can earn.



### Healthcare benefits

Receive a stipend of at least \$300\* a month (depending on how much you drive) toward health insurance or medical care.



### Occupational accident insurance

Cover medical bills if you're injured while driving or delivering

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### Do you support Prop 22?

Let us know where you stand. We'd like to let your customers know if you support Prop 22.

Yes, I support Prop 22

No, I don't support Prop 22

I'm not sure

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Hi Benjamin,

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Do you have a divider / partition installed in your vehicle? Please let us know by clicking below.

We are always making updates to the information we show riders about the steps drivers are taking. Your feedback will be used to inform those efforts.

Your feedback is important to us and we would appreciate hearing from you.

Thank you!

#### Let us know

Your participation in this survey is entirely voluntary. By filling out the survey you consent to have Uber use your response in identifiable form for the purpose of this research. Please find our privacy policy here:

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## What if Prop 22 doesn't pass?

See how app-based work might change in California.

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## If Prop 22 fails to pass, riders and drivers will be affected

Your ride prices and wait times are likely to substantially increase while most drivers will lose their incomes

#### Yes on Prop 22

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### **CONTINUE TO RIDE**

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## Prop 22 is progress

Prop 22 will provide guaranteed earnings and a healthcare stipend.

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#### Hi Benjamin,

Over the past few weeks, we've been highlighting some of the key benefits of Prop 22, like a minimum earnings guarantee, healthcare contributions, and occupational accident insurance.

We've also been listening. We asked drivers to tell us what Prop 22 would mean to them, and we've heard why setting a new standard for flexible work is so important. That's what we're fighting for.

Now we want to share one of the stories we've received, so you can hear what other drivers are saying.

#### Click here to watch

#### We want to hear from you, too.

Send us a video and share your story about what the benefits of Prop 22 would mean for you. Together, we can make our voices heard.

Record your story >

Let riders know you support Prop 22 >

A growing number of voices are joining drivers in support of Prop 22.

This weekend, two major newspaper editorial boards endorsed Prop 22:

The **San Francisco Chronicle Editorial Board** urged Californians to vote yes on Prop 22, arguing it best strikes a balance that would "allow the ride-hail and delivery companies to keep rolling in a way that would increase driver pay and protections while acknowledging that their business does not fit within the realm of traditional employment."

The editorial boards of the San Jose Mercury News and East Bay Times also backed Prop 22 because it "would guarantee workers at least 120% of minimum wage for the hours they're driving in addition to their tips, payments for full health insurance coverage for those who work full-time and proportional payment for those who work less, disability insurance and compensation for mileage expenses."

The Chronicle and Mercury News join groups like the California NAACP, California Hispanic Chamber of Commerce, Si Se Puede, the National Organization of Women (NOW) and 100 community advocates in supporting Prop 22.

Yes on Prop 22 >



August 18 / US





We may have to temporarily suspend ridesharing in California starting this week.

The California Attorney General obtained a court order that requires rideshare companies to hire drivers as employees—immediately—or else shut

#### \* \* \* ? 3 48 ... 68% 2:47 🖬 🖻 Rideshare in California is at... $\leftarrow$ **Uber** Blog Sign up 0 Q × Start ordering with Uber Eats Uber Eats Install the app We may have to temporarily suspend ridesharing in California starting this week. The California Attorney General obtained a court order that requires rideshare companies to hire drivers as employees-immediately-or else shut down. We've appealed this decision, but if we are not successful in our appeal, we will need to temporarily shut down by Thursday night. We know that riders rely on Uber to get around, and drivers rely on the Uber app to earn income. We wanted to let you know that this is a possibility, so you can plan accordingly. We remain committed to helping drivers get access to new benefits and protections without compromising the flexibility they have today via Proposition 22, which is on the ballot this November. You can learn more about Prop 22

here.





Help

### Prop 22: Get the facts

See why yes on Prop 22 is a better way to work in California.



## ✓ Trip Planner \i

Drivers talk about why Prop 22 would make a difference.



Help

## Take our online poll

Let us know where you stand on Prop 22.



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