

## ON THE WATERFRONT: **3 more truck firms named in port probe**

By Kristopher Hanson, Staff Writer

Oct 28, 2008 -- Three more harbor trucking companies have been named in an ongoing state probe into the illegal exploitation of truck drivers working in the nation's largest seaport.

California Attorney General Jerry Brown on Monday said the companies were committing tax fraud, breaking labor law and skirting state disability requirements by mislabeling their drivers "independent contractors."

Two other local companies were named in a similar lawsuit in September.

"Under these working conditions, the employees should have employee status and its legal protections and benefits," Brown said. "The companies control all aspects of the drivers' work and own and maintain the trucks that the workers drive."

Brown spokesman Abraham Arredondo said his boss is "eager" to continue the investigation, and has set up a hotline - 916-322-3360 - for drivers to report abuses.

"This is something the attorney general has been very interested in," Arredondo said. "Workers need to be protected from abuse like this."

In the latest cases, the companies were able to avoid paying overtime, payroll taxes, health insurance and workers' compensation by labeling their drivers "independent contractors" -- a label applied to some 90 percent of truckers in the ports of Long Beach and Los Angeles.

Brown names Guasimal Trucking, Moreno Trucking and a small company owned by businessman Edmund Jose Lira in the lawsuit and is seeking at least \$50,000 in fines and back taxes.

The legal filings come as pressure mounts on authorities to crack down on alleged worker rights abuses at the port complex, which some argue is rampant among the mostly immigrant truck driver work force.

Earlier this year, Democratic presidential candidate Barack Obama penned a letter to Long Beach Mayor Bob Foster alluding to the problem.

"Most are independent only in the sense that they own the truck and are struggling to pay it off," Obama wrote. "(But) many of these drivers may be legally misclassified. Worker compensation is an issue I have worked on at the federal level to remedy because it hurts workers and costs the taxpayer billions in uncollected taxes."

Obama goes on to say that such practices have become widespread in an ultra-competitive environment where retailers exert tremendous pressure on transportation companies for cheap shipment of goods.

"Those companies and the big-box retailers reap the rewards of increased imports while the truckers who transport those goods are paid poorly and receive few benefits," Obama said.