

CALIFORNIA COALITION OF TRAVEL ORGANIZATIONS

THE STATE LEGISLATIVE COALITION OF NATIONAL, STATE AND REGIONAL ASSOCIATIONS OF SELLERS OF TRAVEL

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Call to Action

Take Action Today to Preserve the Independent Agent Business Model

April 18, 2019

Please take action today to preserve the independent model that has existed for decades and provides opportunities for thousands of small business owners.

The California Coalition of Travel Organizations [CCTO] is issuing a “call to action” urging California travel agencies, tour operators and their independent agents to contact their state Senators and Assembly Members.

California legislators are considering legislation to enact new laws determining when workers are considered “*independent contractors*” and when they are considered “*employees*.”

The request is that state Senators and Assembly Members take action to ensure that legislation addressing the Dynamex decision clearly states that independent agents under the state’s Seller of Travel Law are independent contractors.

Since the inception of the California Seller of Travel Law 25 years ago, this state consumer protection law has acknowledged independent agents - who are primarily women and are all small business owners - as an integral part of the travel industry. They:

- Set their own hours and schedules
- Set their own rates
- Select the customers with whom they will work
- As entrepreneurs, select and market their own brands
- May choose to affiliate with more than one host agency
- Select the services they desire to sell
- May decide to specialize in specific types of travel services
- Select the service providers whose products they desire to sell
- Have unlimited earning potential

Few, if any, of these important factors would be available to these independent small business owners were they to be forced into an unwanted employee relationship. CCTO estimates there are tens of thousands of persons who are providing travel services as small businesses in conformance with the Seller of Travel Law.

This is now at risk due to a recent court decision. The “B” criteria established in the California Supreme Court’s April 2018 Dynamex decision would result in these small business owners being considered employees.

California Coalition of Travel Organizations

The California Coalition of Travel Organizations [CCTO] is a nonprofit state government relations coalition of national, state and regional associations and consortiums of travel agents and tour operators. CCTO member organizations include individual California chapters of the American Society of Travel Agents, as well as United States Tour Operators Association, Student Youth Travel Association, Signature Travel Network, WESTA, Ensemble, PATH, Travel Leaders Network, and Virtuoso.

CCTO has been actively lobbying in the State Capitol since its formation in 1987 and sponsored the legislation enacted in 1995 that established California’s Seller of Travel [SOT] Law and its landmark Travel Consumer Restitution Fund.