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LOS ANGELES MANAGING PARTNER EXPLAINS CALIFORNIA'S ABC TEST

News

Jan 7, 2020

California's controversial new independent-contractor test took effect Jan. 1, 2020 but several professional associations, businesses and workers are trying to halt its application to their respective industries. In an interview with *SHRM*, Todd Scherwin breaks down the three-pronged test, called the "ABC test" that determines how an employee should be classified. "The second prong of the ABC test is the significant change that employers need to understand. It used to be that if a worker was doing something germane to the business, it would be difficult to show that that worker was an independent contractor, but the business could still argue that other weighted factors leaned toward an independent-contractor relationship."

With the new laws, "It will be much more difficult for hiring entities to show as an absolute factor for every independent contractor that the work performed is outside the usual course of the business," he added.

To read the full article, visit [SHRM](#).

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