



Jade West  
Chief Government Relations Officer

March 14, 2023

Dear Members of the U.S. Senate Committee on Health, Education, Labor and Pensions:

I am writing on behalf of the National Association of Wholesaler-Distributors (NAW) in opposition to the nomination of current U.S. Department of Labor Deputy Secretary Julie A. Su to be Secretary of Labor.

NAW is one of America's leading trade associations, representing the \$8.2 trillion wholesale distribution industry. Founded in 1946, NAW is comprised of national, regional, and state employers of all sizes as well as industry trade associations, partners, and stakeholders spanning all sectors of distribution. Our industry employs almost 6 million workers throughout the United States and accounts for one-third of the United States gross domestic product. There are 35,000 wholesale distribution companies that operate nearly 150,000 places of business across North America, including all 50 states. NAW members support millions of reliable jobs paying average non-supervisory wages of more than \$30 per hour.

We believe that Ms. Su's record both in her current role and as Secretary for the California Labor and Workforce Development Agency requires significant scrutiny, and, as a result of her record, NAW emphatically opposes the nomination of Ms. Su and urges you to vote against this divisive nominee.

During her tenure in California, Ms. Su oversaw what some have called the most fraud-plagued unemployment program in the country which, according to her own admission, paid out at least \$31 billion in fraudulent claims. Furthermore, Ms. Su was one of the architects of California's Assembly Bill 5 (AB5), a law that attempted to make it nearly impossible for a worker to be classified as an independent contractor by imposing an "ABC test." AB5 may be one of the most flawed business legislative initiatives in recent memory. The legislation has been so difficult to implement due to its flaws that the California state legislature and the Governor were forced to enact multiple new laws to exempt over 100 occupations, and was so unpopular that 59% of California voters voted via a ballot measure to roll back other provisions in the law.

In 2021, while Ms. Su still served the people of California, the Mercatus Center at George Mason University found that California had the highest regulatory burden in the nation and ranked first in the nation for highest occupational licensure burden. Even with high hourly wages and generous benefits, wholesaler-distributors are still struggling to fill many roles. A Department of Labor led by Ms. Su would likely increase unnecessary and burdensome regulations that could significantly raise employer costs.

NAW urges you to reject the nomination of Su, and instead urge President Joseph R. Biden to nominate an individual who will both be capable of managing the department and willing to consider how regulations will impact both employers and employees alike.

Sincerely,

A handwritten signature in black ink that reads 'Jade West' in a cursive, flowing script.

Jade West  
Chief Government Relations Officer  
National Association of Wholesaler-Distributors

**NATIONAL ASSOCIATION OF WHOLESALER-DISTRIBUTORS**

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