

DEPARTMENT OF INDUSTRIAL RELATIONS

## DIVISION OF LABOR STANDARDS ENFORCEMENT



LEGAL SECTION

Golden Gate Avenue, Room 3166  
San Francisco, CA 94102  
(415) 703-4150

H. THOMAS CADELL, JR., *Chief Counsel*

April 19, 1993

George Arnold  
CSJ Unlimited, Inc.  
7491-C5 N. Federal Hwy. #241  
Boca Raton, FL 33487

Re: **Garment Manufacturing License**

Dear Mr. Arnold:

This is in response to your letter of March 30, 1993, wherein you questioned why, if you are the employer of workers supplied to perform services in the garment manufacturing industry you would be required to be licensed as a garment manufacturer.

California Labor Code § 2671(a) provides that for purposes of garment manufacturing, a person means:

"[a]ny individual, partnership, corporation, or association, and included, but is not limited to, employers, manufacturers, jobbers, wholesalers, contractors, and subcontractors."

Garment manufacturing is defined at Labor Code § 2671(b) and includes all aspects of sewing, cutting, making, processing, repairing, finishing, assembling, or otherwise preparing any garment or any article of wearing apparel.

California Labor Code § 2675 provides every person engaged in the business of garment manufacturing shall register with the Labor Commissioner.

Obviously, if you intend to employ workers engaged in the garment industry, you must be licensed.

I note that you state that your firm supplies engineering services to NASA without the necessity of having to have a license to travel in space. I cannot, of course, speak to NASA's requirements. I can only relay to you the law in the State of California.

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I am, of course, concerned that this requirement may be a threat to your entire industry. Perhaps you might want to address your concerns to the Legislature.

I can't help but notice that your contract provides that while you are the employer, the client to whom you "assign" the employees will direct and control the activities of the workers. As I understand the relationship, aside from furnishing payroll services, your firm provides nothing more than the workers' compensation coverage and certain "loss control" inspections related to that coverage. That is an interesting concept. Have you checked with the California Insurance Commissioner for his views of this arrangement? If you have not, I strongly urge you to do so at your earliest convenience.

Yours truly,

H. THOMAS CADELL, JR.  
Chief Counsel

c.c. Victoria Bradshaw  
Michael Medrano, Sr. Deputy, L.A. BOFE