Assemblyman [or] Sen. [Name]

State Capitol

Sacramento, CA 95814

**Re: Oppose Governor’s Proposal to Eliminate Hiring Tax Credits for Staffing Firms**

Dear Assemblyman [or] Sen. [Name]:

I am [Name] of [Staffing Firm Name], a staffing and temporary help firm in [Location]. Temporary work affords flexibility, training, supplemental income, and a bridge to permanent employment for those who are out of work or changing jobs. In 2011, temporary help firms such as mine employed a total of 1,171,771 people in California, 428,221 of whom went on to permanent jobs, according to data from the U.S. Bureau of Labor Statistics.

I am writing to ask you to opposethe language in Gov. Jerry Brown’s Enterprise Zone reform proposal that would make staffing firms ineligible for hiring tax credits. There is no compelling reason for singling out the staffing industry in this way.

As you know, the EZ program was designed to promote hiring and investment in economically depressed areas of California. By placing temporary employees with their clients, staffing firms create valuable employment opportunities. Temporary assignments also lead to full-time jobs—precisely the kinds of opportunities the tax credits were designed to promote and encourage.

Those in favor of the governor’s proposal claim that staffing firms should be ineligible for the tax credits because they do not create new jobs. But whether a worker is hired to fill in for an absent employee or replace an employee due to attrition is irrelevant; as long as staffing firms provide people with work opportunities, they should be eligible for EZ tax credits. The state should promote work opportunities in all forms. Denying the tax credits to staffing firms sends the wrong message about the value and significance of the staffing industry and temporary jobs.

Most interested parties want California’s tax system to provide incentives that encourage employers to: do business in the state’s poorest areas; hire individuals who are considered less employable (including the long-term unemployed, unemployed veterans, and public assistance recipients); and locate or expand within California. That is exactly what staffing firms have done in connection with the existing tax credits.

**For these reasons, I urge you to oppose any proposal that would eliminate EZ tax credits for staffing firms operating in California.**

Sincerely,

[Name and Contact Information]

[End of Letter]