August 27, 2020

AB 2257: Practical Protection for Linguists

Dear Colleagues,

The terms of AB 2257 are set. The relief bill addressing dozens of professions and trades, and omitting some, will pass both chambers and proceed to the governor for signing. As an urgency measure, it will take immediate effect.

Practicing translators and interpreters in California and language companies that contract them gained significant safe harbors for operation in the bill. All stakeholders need to assess the protections for linguists earned in the legislation.

Read the final terms of AB 2257 here:
http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB2257

Here is the series of protections:

1) Translators: Section 2778, subdivision (b,) part (2), item (J) lays out a broad exemption for translators under Professional Services. The conditions are easily satisfied. Translators can contract with language companies as individual Sole Proprietors and need not be formed as a business entity (LLC, LLP, Corporation).

A Sole Proprietor is a business owned and run by one individual. Like all businesses, Sole Proprietors must have the business license or business tax registration required by a local jurisdiction.

2) Language companies with significant translation portfolios: Exemption for translators and the terms of hiring can be satisfied most easily under the terms in the Professional Services Section 2778, subdivision (a), part (2), item (J) OR under the Business to Business exemption Section 2776, subdivision (a) criteria (1) to (11). Note that criteria (2) is not conducive to interpreters, due to the stipulation that requires services to be provided directly to the hiring business (language company) and not to the customers of the hiring business.

Under both sections, translators can be individual Sole Proprietors and need not be formed as a business entity (LLC, LLP, Corporation). A Sole Proprietor is a business owned and run by one individual. Like all businesses, Sole Proprietors must have the business license or business tax registration required by a local jurisdiction.

3) Interpreters: Section 2777, subdivision (b,) part (7), items (A) and (B) establishes that interpreters are eligible to work as Sole Proprietors in a relationship with a Referral Agency on condition that they are certified or registered in a language and domain with an available certification or registration. If there is no certification or registration in the language, then there is no restriction. Interpreters can be individual Sole Proprietors and need not be formed as a business entity (LLC, LLP, Corporation).

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4) **Language companies with significant interpreting portfolios:** The terms in Section 2777, subdivision (b), part (3), items (A) and (B) set out the terms of the contract. Interpreters with a certification in an available language and domain must be certified in that language and domain in order to work with a language company under a **Referral Agency relationship**. Interpreters can be individual **Sole Proprietors** and need not be formed as a business entity (LLC, LLP, Corporation).

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This section under item (A), also permits interpreting agencies to provide services **ancillary** to the contract interpreter’s services, such as ensuring HIPPA compliance, confidentiality, fingerprinting requirements, remote platform provision, and liability responsibilities, to name a few.

5) **Other forms of protection:**

A. **Single-engagement event:** Section 2779, subdivision (b) may provide an exemption for interpreting agencies under **a relationship between two individuals acting as a sole proprietor or business entity**. And because it allows recurring events in the same place of less than weekly frequency, it could allow for interpreting in regular meetings of public or private organizations. Individual’s contracted for single-engagement events can be **Sole Proprietors** and need not be formed as a business entity (LLC, LLP, Corporation).

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B. **Localization:** Section 2777, subdivision (b), part (8) regarding **Consulting**, with its recognition of “substantive insight” among other knowledge-based expertise, under **Referral Agency relationship**.

C. **Trainers:** Section 2277, subdivision (b), part (5) regarding **Tutors** under **Referral Agency relationship** provides an exemption for interpreter and translator trainers using their own materials and methodology or who are teaching from a curriculum that is proprietary and privately developed, if they are not contracted to teach students of public or private schools in a classroom setting. Trainers contracted for single-engagement events can be **Sole Proprietors** and need not be formed as a business entity (LLC, LLP, Corporation).

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The Coalition will continue to educate all stakeholders on satisfying the conditions for exemption in the coming weeks.

Once again, we extend our deepest appreciation to each and every one of you for joining CoPTIC in this monumental effort. You should all be proud of this accomplishment!

Sincerely,

Lorena Ortiz Schneider
Chair, CoPTIC