Study B-750 November 18, 2025

SECOND SUPPLEMENT TO MEMORANDUM 2025-42

Antitrust Law: Status Update (Public Comment)

This Memorandum¹ presents an additional public comment received on Memorandum 2025-42 regarding draft legislation to address Mergers and Acquisitions in California. The public comment is attached as an Exhibit to this supplement.

PUBLIC COMMENT

As with prior memoranda, a brief description of the commentator is below.

UDW/AFSCME Local 3930

This comment was submitted by Kristina Bas Hamilton, Senior Director of External Affairs, UDW/AFSCME Local 3930. According to its <u>website</u>, UDW is "committed to ending systemic inequality and building better lives for our members, their families, and the people they serve. [UDW is] more than 200,000 home care and family child care providers across the state of California."

Respectfully submitted,

Sharon Reilly Executive Director

Sarah Huchel Deputy Chief Director

¹ Any California Law Revision Commission document referred to in this memorandum can be obtained from the Commission. Recent materials can be downloaded from the Commission's website (www.clrc.ca.gov). Other materials can be obtained by contacting the Commission's staff.

The Commission welcomes written comments at any time during its study process. Any comments received will be a part of the public record and may be considered at a public meeting. However, comments that are received less than five business days prior to a Commission meeting may be posted after the meeting and/or without staff analysis.



September 18, 2025

The Honorable Xochitl Carrion, Chair, and Honorable Commissioners California Law Revision Commission c/o Leaislative Counsel Bureau 925 L Street, Suite 275 Sacramento, CA 95814

Re: CLRC Public Comment for September 18th meeting from UDW AFSCME **Local 3930**

Dear Chairperson Carrion and Honorable Commissioners,

Thank you, Commissioners, for the opportunity to comment and for your ongoing commitment to making California's antitrust laws strong enough to protect workers, consumers, and small businesses. We commend the staff on their continued excellent work regarding this ongoing study and laying out clear and careful options to modernize both single-firm conduct provisions and merger law.

On single-firm conduct, we endorse Option Two with critical improvements, including simplifying the general prohibition against restraints of trade, establishing clear standards of proof, and creating per se violations for conduct by firms with substantial market power.

We also strongly support the **Enhanced Purpose Statement and the** rejection of weak federal precedents. These provisions will give courts clear guidance, provide fairness and consistency, and ensure California's antitrust law stands on its own.

We urge the Commission to take immediate action at this meeting to vote on and approve these single-firm conduct recommendations. At this point, delaying action would only allow harmful consolidation to continue, and California cannot afford more of the broken status quo.

With respect to merger recommendations – We urge the Commission to reject Option One, which simply copies the Clayton Act and imports decades of failed federal precedent. Instead, California should adopt a stronger path by combining the best elements of Options Two, Three, and Four: the Philadelphia National Bank presumption, bright-line thresholds from the 2023 Guidelines, and the "appreciable risk" test, without adding

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the need for "materially lessening competition" or "more than a de minimus amount" qualifiers.

We believe the phrase "appreciable risk" alone gives judges enough flexibility to stop mergers that pose a real ("appreciable") threat ("risk") to competition, without making it harder to prove by adding additional legal hurdles. Together, these create a clear, enforceable framework that lowers the burden of proof and allows us to stop harmful mergers before damage is done.

We ask the Commission to go further by recommending a robust premerger notification system, heightened scrutiny of industries like healthcare, grocery, and technology, and explicit consideration of labor and community impacts such as wage suppression, small business survival, and equity for communities of color.

California is at a turning point. We can and should restore antitrust law's original goal - stopping harmful corporate consolidation early, protecting workers and communities, and creating a national model for defending competition and democracy.

By adopting our hybrid approach - taking the strongest parts from the options previously discussed - we can restore the principle of preventing antitrust issues early and block harmful mergers before they hurt workers, consumers, and communities. These combined reforms will make it easier to prove harm so courts can act before it's too late and put workers and communities first by directly addressing job market harms and community impacts.

The hybrid approach will increase oversight of giant companies and critical industries like healthcare, grocery, and technology ensure California remains a national leader with a complete framework other states can copy.

In closing we urge the Commission to act at this meeting to approve these single-firm conduct recommendations and provide clear direction to staff on merger language. Thank you for your consideration of these comments and your continued work on this critical issue.

Sincerely,

Kristina Bas Hamilton

Senior Director of External Affairs, UDW / AFSCME Local 3930

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