



April 16, 2025

TO: Members, Senate Labor, Public Employment and Retirement Committee

**SUBJECT: SB 238 (SMALLWOOD-CUEVAS) WORKPLACE SURVEILLANCE TOOLS
OPPOSE – AS AMENDED MARCH 26, 2025**

The California Chamber of Commerce and the organizations listed below are **OPPOSED** to **SB 238 (Smallwood-Cuevas)**.

The breadth of information that **SB 238** requires to be reported to DIR and made publicly available online is concerning to many of our members. The definition of workplace surveillance tools in the bill is very broad and encompasses many tools that are standard and basic components of a security program on an employer's premises or cybersecurity software. Video surveillance, communications/equipment tracking, and cybersecurity software are especially necessary for workplace safety as well as the prevention and investigation of fraud and theft. For example, financial institutions must have highly sophisticated security systems, otherwise there is risk of theft or exposure of sensitive consumer information. They would be required to disclose exactly which tools they use, the names of individuals and vendors that run or receive any of that data, and what changes have been made to those systems. This is essentially requiring those institutions to provide a roadmap for bad actors to gain a better understanding of the tools they are using for fraud prevention and security measures and how to exploit them. The bill could put many entities, and more importantly their employees and consumers, in a vulnerable position by exposing exactly what tools are being used and how they are being used, who has access to sensitive worker and consumer data, and the extent of data that is being collected. This is especially true for employers with sensitive consumer data or government data where companies have state or federal contracts.

Further, **SB 238** would impose a significant workload on an already overburdened DIR. For example, California has more than 1.7 million private sector businesses and an additional 3 million sole proprietorships¹. Because of the breadth of the definition of "workplace surveillance tools," even a security camera or server that stores emails would count under that definition, meaning that DIR would be required

¹ [California's Businesses - Public Policy Institute of California](#)

to sift through, label, and publish lists of millions of different tools. Not only is that burdensome, but it is difficult to imagine how such an information overload is useful to the public.

For these and other reasons, we **OPPOSE SB 238 (Smallwood-Cuevas)**.

Sincerely,



Ashley Hoffman
Senior Policy Advocate
California Chamber of Commerce

Acclamation Insurance Management Services (AIMS), Dominic Russo
Allied Managed Care (AMC), Dominic Russo
American Petroleum and Convenience Store Association (APCA), Bobbie Singh-Allen
Associated General Contractors of California, Matt Easley
California Alliance of Family-Owned Businesses (CAFOB), Bret Gladfelty
California Association of Winegrape Growers, Michael Miiller
California Association of Sheet Metal and Air Conditioning Contractors National Association, Chris Walker
California Attractions and Parks Association, Sabrina Demayo Lockhart
California Credit Union League, Emily Udell
California Grocers Association, Leticia Garcia
California League of Food Producers (CLFP), Katie Little
California Retailers Association, Ryan Allain
Coalition of Small and Disabled Veteran Businesses, Jeffrey Langlois
Flasher Barricade Association (FBA), Kenneth Johnston
Housing Contractors of California, Bruce Wick
Wine Institute, Tim Schmelzer

cc: Legislative Affairs, Office of the Governor
Christopher Morales, Office of Senator Smallwood-Cuevas
Consultant, Senate Labor, Public Employment and Retirement Committee
Cory Botts, Senate Republican Caucus

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