

May 5, 2026

Assemblymember Buffy Wicks
Chair, Assembly Committee on Appropriations
1021 O Street, Suite 8220
Sacramento, CA 95814

Re: Support for AB 1776 (Aguiar-Curry) - COMPETE Act - Support

Dear Chair Wicks and Honorable Committee Members,

On behalf of the undersigned organizations representing consumers, workers, and businesses, we write in strong support of AB 1776, the "COMPETE" Act. California's antitrust law is one of just four states in the country without a state-level ban on illegal monopolization. Amid an affordability crisis directly attributable to increased concentrations of corporate power, the COMPETE Act is a carefully developed, rigorously vetted bill to reinvigorate a fair economy.

The California COMPETE Act would:

1) **Create** a state-level ban on illegal monopolization, bringing California in line with the vast majority of other states in the country;
2) **Codify** existing California cases and federal legal guidelines that promote competition and protect workers, consumers, and business growth; and
3) **Allow** for enforcement against illegal monopolies in California state courts, untethered from unpredictable federal courts, pursuant to well-understood and longstanding California legal standards.

California is the nation's wealthiest state and the fourth largest economy in the world, yet ranks 48th in the nation in terms of income inequality.[1] 70% of Californians believe that the gap between the rich and poor is widening, and a similar share think the state government should do more to reduce the gap.[2]

Corporate concentration indisputably contributes to these harmful trends. Across healthcare, technology, food and agriculture, entertainment, and consumer retail, market concentration has led to wage suppression, price inflation, and reduced opportunities for business growth. Since the 1990s, consolidation has affected roughly 75% of all U.S. industries, leaving in its wake fewer small businesses, weaker unions, job insecurity, and exploding income inequality.[3]

Without a state law against illegal monopolization, Californians may only use antitrust law to challenge illegal monopolies in federal court pursuant to weakened federal antitrust law. The erosion of federal antitrust laws was not accidental. Beginning in the late 1960s, an intellectual movement known as the "Chicago School" de-emphasized market competition in favor of short-sighted economic gains. Over the next several decades, big business co-opted and promoted Chicago School thinking as a tool to advance its interests. Big businesses triumphed, and antitrust enforcement plummeted.

Following an expansive three-year review of California's antitrust law, the Cartwright Act, the California Law Revision Commission (CLRC) – California's most prestigious nonjudicial legal body – made two key findings: *First*, the Cartwright Act does not prohibit illegal monopolization or unilateral, "single firm" anticompetitive conduct. *Second*, directly mirroring federal antitrust law would be both inconsistent with current California law and effectively import federal jurisprudence that has diluted the federal law's original scope and strength, limiting the effectiveness of state antitrust enforcement.[4] The COMPETE Act, which is a verbatim codification of the CLRC's final unanimous recommendation, fixes this by allowing illegal monopolization claims to be brought in state court pursuant to California antitrust cases rooted in a century of law.

By every measure, the COMPETE Act reflects a consensus-based, non-partisan approach to reinvigorating competition. The CLRC's study was initiated in 2022 by bipartisan resolution **ACR 95 (Wicks, Cunningham)**.[5] The CLRC's Single Firm Conduct Working Group Report,

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[1] Tess Thorman and Daniel Parayes-Montoya, "Income Inequality in California," Public Policy Institute of California (March 2025), https://www.ppic.org/publication/income-inequality-in-california/.
[2] Mark Baldassare, Dean Bonner, Lauren Mora, and Deja Thomas, "PPIC Statewide Survey: Californians and Their Government," Public Policy Institute of California (Feb. 2024), https://www.ppic.org/publication/ppic-statewide-survey-californians-and-their-government-february-2024/.
[3] Carolyn Brotherton, "How Corporate Consolidation Undermines Worker and Consumer Power," Economic Opportunity Institute (Oct. 22, 2021), https://opportunityinstitute.org/blog/post/corporate-consolidation-undermines-worker-and-consumer-power/.
[4] Recommendation, Antitrust Law: Single Firm Conduct, California Law Revision Commission (March 2026), https://clrc.ca.gov/pub/Printed-Reports/Pub249-B750.pdf.
[5] California Assembly Concurrent Resolution 95 (Wicks, Cunningham), 2021-2022, https://calmatters.digitaldemocracy.org/bills/ca_202120220acr95.

upon which the COMPETE Act is based, was written by legal experts and economics professors, government officials, and attorneys who have defended Fortune 500 companies in antitrust litigation.[6] The study, which included 17 public hearings, elicited over 110 letters from trade groups, businesses, advocacy organizations, and members of the public.[7] When presented with an option to codify an "abuse of dominance" standard, the CLRC instead proposed codifying California jurisprudence that is well understood by businesses and antitrust experts.[8] What emerges is a modest, pro-business proposal to promote competition, affordability, and fair labor standards.

Californians are paying the price of inadequate competition law in the wages they earn, the prices they pay, and the opportunities foreclosed by unchecked market power. This bill is the right response, developed through the most rigorous process, at exactly the right time.

We respectfully urge your support for AB 1776.

Sincerely,

American Economic Liberties Project, Lee Hepner, Senior Legal Counsel (Co-Sponsor)

California Federation of Labor Unions, Sara Flocks, Legislative Director (Co-Sponsor)

California Nurses Association, Carmen Comsti, Lead Regulatory Specialist (Co-Sponsor)

Consumer Federation of California, Robert Herell, Executive Director (Co-Sponsor)

Economic Security California Action, Teri Olle, Vice President (Co-Sponsor)

SEIU California, Matt Lege, Government Relations Advocate (Co-Sponsor)

Small Business Majority, Bianca Blomquist, California Director (Co-Sponsor)

Teamsters California, Shane Gusman, Legislative Advocate (Co-Sponsor)

TechEquity Action, Megan Abell, Vice President of Advocacy (Co-Sponsor)

UFCW Western States Council, Amber Parrish Baur, Executive Director (Co-Sponsor)

Writers Guild of America West, Meagan Subers, Legislative Advocate (Co-Sponsor)

Alliance of Californians for Community Empowerment (ACCE) Action, Amy Schur, Campaign Director

Amalgamated Transit Union, Shane Gusman, Legislative Advocate

California Association of Microenterprise Opportunity (CAMEO) Network, Heidi Pickman, Vice President, External Relations

California Food and Farming Network, Beth Smoker, Policy Director

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[6] Aaron Edlin, Doug Melamed, Sam Miller, Fiona Scott Morton, and Carl Shapiro, "Expert Report: Single Firm Conduct," California Law Revision Commission Memorandum 2024-15 https://clrc.ca.gov/pub/2024/MM24-15.pdf. Of the five members of the CLRC's Single Firm Conduct Working Group, all are professors of antitrust or economics at major universities, including Stanford, UC Berkeley, Yale, Harvard, Columbia, UC College of the Law SF, and USC; three have extensive experience working at the highest echelons of federal government, under both the Clinton and Obama administrations; three are professors of economics; four have served as legal compliance counsel, litigation defense counsel or expert consultants for major corporations, including Fortune 500 companies and Big Tech firms like Amazon, Apple, Google, NVIDIA, and Microsoft.

[7] Public Comment Index, CLRC Study B-750, https://clrc.ca.gov/pub/Misc/B750-cmt_table.pdf.

[8] *Supra*, fn. 4, at 9.

California Low Income Consumer Coalition (CLICC), Ted Mermin, Director

California Public Banking Alliance, Trinity Tran, Executive Director

California Work & Family Coalition, Katie Duberg, Political Organizing Director

Center for Responsible Lending, Andrea Luquetta, Senior Policy Counsel

Communication Workers of America District 9, Frank Arce, Vice President

Consumer Attorneys of California, Saveena Takhar, Senior Legislative Counsel

Consumers for Auto Reliability and Safety (CARS), Rosemary Shahan, President

Courage California, Irene Kao, Executive Director

Electronic Frontier Foundation, Chao Jun Liu, Senior Legislative Associate

End Poverty in California (EPIC), Devon Gray, Executive Director

Engineers & Scientists of California, IFPTE Local 20, Shane Gusman, Legislative Advocate

Equal Rights Advocates, Jessica Stender, Policy Director

Future of Music Coalition, Kevin Erickson, Director

Health Access CA, Katie Van Deynze, Senior Policy and Legislative Advocate

Institute for Local Self-Reliance (ILSR), Ron Knox, Senior Researcher & Policy Advocate

International Alliance of Theatrical Stage Employees Local 80, DeJon Ellis Jr., Business Manager

International Association of Machinists and Aerospace Workers, Shane Gusman, Legislative Advocate

Latino Prosperity, Orson Aguilar, President & CEO

Kapor Center Advocacy, Patrick Armstrong, Vice President of Tech Policy and Government Affairs

Office of Kat Taylor, Kat Taylor, Principal

Privacy Defense Alliance, Yadi Younse, Privacy Advocate

Propel San Francisco, Sunny Angulo, Executive Director

Responsible Online Commerce Coalition, Joe Van Wye, Senior Advisor, Public Policy & Legislative Affairs

Rise Economy, Jyotswaroop Bawa, Chief of Organizing & Campaigns

Small Business Forward, Christin Evans, Co-Founder

SMART – Transportation Division, Louie Costa, Safety and Legislative Director

The Greenlining Institute, Liza Paudel, Senior Program Manager

Tech Oversight California, Sacha Haworth, Executive Director

UDW AFSCME Local 3930, Teja Stephens, Legislative Advocate

Warehouse Worker Resource Center, Felix Huang, Research Analyst

Wellbeing Economic Alliance California, David Green, Project Lead

Western Center on Law & Poverty, Tina Rosales-Torres, Policy Advocate