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**Testimony of Montana Williams
Director, State and Local Public Policy
Chamber of Progress**

**Massachusetts Legislature
Joint Committee on Financial Services**

Good morning Chair Crighton, Chair Murphy, and members of the committee,

My name is Montana Williams and I am the Director of State and Local Public Policy for the Chamber of Progress, a center-left tech industry coalition promoting technology's progressive future.

Our organization works to ensure that all Americans benefit from technological leaps, and our commitment to a progressive society, economy, and workforce sets us apart from other business groups. For example, we strongly support federal legislation to promote voting rights and support President Biden's proposed corporate tax increase to fund infrastructure investments. Our corporate partners include companies like Uber, Lyft, Instacart, and DoorDash, but our partners do not have a vote on or veto over our positions.

We **support H.1234** and urge this committee to do the same.

First, app-based drivers provide a valuable service to Bay Staters. Every day, app-based drivers deliver food to families including those that live in food deserts; provide an accessible transportation option for people without nearby transit; provide convenience to people in need of everyday supplies from stores; and in the pandemic, helped transport riders seeking immediate medical attention.

Second, hundreds of thousands of Massachusetts residents rely on gig work as a significant source of income. In 2017, the Bureau of Labor Statistics reported that more than 200,000 Bay Staters relied on gig work as a source of income, a large portion of whom are people of color or immigrants. For many, these rideshare apps serve as a second income, for others, these gigs serve as a full-time job. Women in particular have relied heavily on gig driving, having been disproportionately impacted by the pandemic due to an increasing need for childcare and homeschooling, as well as job cuts in the home cleaning, hospitality and service industries. Women now make up 58% of DoorDash and about 50% of Uber's delivery drivers.

Third, numerous surveys have found that gig drivers want both flexibility and better benefits and wages. As a result, they prefer not to be classified as employees but want independent contracting to bring better wages and benefits. In short, they don't want to end gig work, but want to make it better.

H. 1234 would do just that, giving drivers a new type of portable benefits that would travel with them, while retaining driver independence and flexibility. The bill would mandate that rideshare and delivery companies contribute to a driver's portable benefits account, providing drivers with new benefits such as income replacement, retirement plans, and minimum wage protection.

Finally, H. 1234 would put Massachusetts at the cutting edge of experimentation for new models. By piloting a portable benefits approach under H. 1234, Massachusetts would become a trailblazer in creating a more inclusive, supportive, and fair gig-labor force in the United States. This legislation echoes steps taken by the United Kingdom, where the government classified 70,000 drivers in their intermediate "worker" category, allowing those drivers to qualify for minimum wage and holiday pay, parental payments and free insurance in case of emergencies. It also echoes federal legislation sponsored by leading Democrats including Senators Mark Warner, Michael Bennet, and Chris Coons, that would create a national level portable benefits pilot.

The changing nature of the workforce demands new approaches to both work and benefits. Rather than limiting gig work — which has proven to be a lifeline of supplemental income for thousands, especially during the pandemic — policymakers should focus on improving it and providing a modern flexible benefit structure. Proposals such as H.1234 would provide a new type of support to app-based drivers that fits the way thousands of people work today.

Thank you.