



June 10, 2024

The Honorable Jason Dawkins
Majority Chair
House Labor & Industry Committee
150 Main Capitol Building
Harrisburg, PA

The Honorable Ryan Mackenzie
Republican Chair
House Labor & Industry Committee
209 Ryan Office Building
Harrisburg, PA

Dear Representative Dawkins, Representative Mackenzie, and members of the committee:

On behalf of Chamber of Progress – a tech industry association working to ensure all Americans benefit from technological leaps – I write to provide information in advance of the committee’s June 11 meeting on worker misclassification. App-based gig workers overwhelmingly value their independence and are not asking to be reclassified as employees.

Gig workers value the flexibility afforded to them by their independent status. Surveys have consistently shown that gig workers value the ability to manage their own hours and create their own schedules, benefits that would be eliminated if workers were reclassified as employees. Independent contractor status also protects gig workers’ ability to work on multiple platforms or around other part-time or full-time jobs. Nationwide, 36% of app-based workers work full time (more than 30 hours per week) in addition to their gig work, and 20% are balancing unpaid caregiver responsibilities.¹ One recent survey from Beacon Research among app-based drivers found that more than 75% of gig drivers would rather be independent contractors than employees.²

The flexibility of gig work has given thousands of people in Pennsylvania an economic lifeline to adjust to periods of high inflation and financial strain. In a nationwide 2023 survey, 85% of respondents reported that earning income on app-based platforms helped them to deal with inflation.³ 32% of Pennsylvanians reported earning income on app-based platforms.⁴ Women, in particular, have relied heavily on gig driving, having

¹ <https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf>

² <https://independentmass.org/wp-content/uploads/2023/04/Drivers-Polling-Memo-March-2023-Public.pdf>

³ <https://www.flexassociation.org/national-survey>

⁴ <https://www.flexassociation.org/wp-content/uploads/2024/03/Pennsylvania-App-Based-Industry-Impact.pdf>

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 drivers and about 50% of Uber's delivery drivers.

In short, the majority of app-based workers don't want to end gig work – but want to make it better.

Other states have successfully implemented benefits models for app-based workers without reclassifying them. With the support of Governor Shapiro, DoorDash launched a pilot program this year providing qualifying drivers access to portable benefit accounts.⁵ Other states have enshrined benefits for app-based workers permanently. Proposition 22 in California created minimum pay standards throughout the state and provided drivers with a health insurance stipend.

The initiative passed 58.6% of the public vote, including majority support in Black and Hispanic cities and communities in the state. Democratic legislators in Washington state, with the support of the Washington State Teamsters organization, have also passed similar legislation to guarantee benefits to app-based rideshare drivers.⁶ Similarly, last year New York Attorney General Letitia James' office brokered a deal with Uber and Lyft that guaranteed paid family and sick leave for drivers in New York City.⁷

As you explore the issue of worker misclassification, we urge you to keep the views of app-based workers in mind. Overwhelmingly, app-based workers report that they prefer being independent contractors because of the flexibility they are afforded. As New York, Washington, and California have demonstrated, there are ways to extend benefits to app-based workers without sacrificing the flexibility they value and threatening consumers' access to critical services.

We urge you to focus on industries where workers are truly misclassified and denied benefits they deserve, rather than turn back progress for app-based workers by sacrificing their independent status.

Sincerely,



Brianna January
Director of State & Local Government Relations, Northeast US

⁵ <https://about.doordash.com/en-us/news/pa-portable-benefits-pilot>

⁶ <https://www.nytimes.com/2022/03/04/business/economy/washington-gig-worker.html>

⁷ <https://ag.ny.gov/sites/default/files/settlements-agreements/uber-lyft-aods.pdf>