



July 28, 2020

The Honorable Mike Braun
374 Russell Senate Office Building
Washington D.C. 20510

Dear Senator Braun:

On behalf of National Taxpayers Union, the nation's oldest taxpayer advocacy organization, I write to express NTU's support for the Helping Gig Economy Workers Act of 2020 (S. 3773). This legislation would give innovative American companies the flexibility and confidence they need to continue providing financial assistance, health checks, COVID-19 testing, and personal protective equipment (PPE) to individuals who earn money through digital platforms like smartphone apps.

Companies that fuel the gig economy are working to support individuals who make money through their platforms, such as providing PPE or identifying ways to limit interactions between service providers and their customers.¹ However, there is some concern that these efforts will be tied into the ongoing legal battle over whether the government should classify the people making money on platforms such as Uber, Lyft, Postmates, Doordash, and Instacart as employees or independent contractors.²

NTU has a clear position on this debate, which kicked into overdrive with California's passage of Assembly Bill 5 (AB5) in 2019. As NTU Foundation's Andrew Wilford put it:

AB5 sought to force employers to reclassify independent contractors as employees, thereby "protecting" them from exploitative employment circumstances. The problem here is that the full-time employee model is rigid and inflexible, and attempting to force contractors into this box often makes the professional relationship untenable. In other words, a business that can afford to pay a contractor intermittently as a freelancer is not necessarily able to offer that same contractor 40 hours a week, healthcare and retirement benefits, and managerial oversight.³

Of course, laws like AB5 also limit a contractor's ability to control their own schedule and work flexible hours.

¹ Alcorn, Chauncey. "Lyft drivers accuse company of not providing enough protective gear." *CNN Business*, July 23, 2020. Retrieved from: <https://www.cnn.com/2020/07/23/business/lyft-drivers-ppe-gig-app/index.html> (Accessed July 27, 2020.); "No mask. No ride." (July 2020). Uber. Retrieved from: <https://www.uber.com/us/en/coronavirus/> (Accessed July 27, 2020.)

² Rodrigo, Chris Mills. "Republicans introduce bill to create legal 'safe harbor' for gig companies during the pandemic." *The Hill*, May 20, 2020. Retrieved from: <https://thehill.com/policy/technology/498855-republicans-introduce-bill-to-create-legal-safe-harbor-for-gig-companies> (Accessed July 27, 2020.)

³ Wilford, Andrew. "WILFORD: Freelance Law Caps A Year Of Horrendous California Policies." *The Daily Caller*, December 20, 2019. Retrieved from: <https://dailycaller.com/2019/12/20/wilford-california-freelance-law/> (Accessed July 27, 2020.)

Regardless of how California's legal challenges to Uber and Lyft⁴ turn out, though, these companies should not be punished for providing PPE, COVID-19 testing, or financial assistance to the people who use their platform. This is precisely the type of disincentive that overzealous and burdensome government policies can foster, and Congress has an opportunity to avoid these errors by passing the Helping Gig Economy Workers Act.

This legislation would allow gig economy companies a temporary safe harbor, through June 30, 2021, to provide individuals accessing work through their platforms with 1) financial assistance, 2) benefits related to health or safety, 3) training, 4) medical or cleaning supplies, 5) health checks, and 6) medical testing, without affecting the classification status of those individuals. This means that gig companies can make investments in the people accessing their platform, without fear of opportunistic government regulators using those good-faith efforts against the companies in current or subsequent lawsuits and investigations.

By easing company-supported access to PPE and testing, the Helping Gig Economy Workers Act could also help more individuals access these platforms during the pandemic and recession. With tens of millions of Americans out of work, gig platforms can provide a much-needed source of extra income for families facing financial uncertainty or hardship. When gig companies also provide PPE, testing, or financial assistance, people interested in working through those platforms can do so with more confidence in their health and safety.

Thank you for introducing this important piece of legislation, and we look forward to working with you to ensure it is passed as standalone legislation or as part of a broader COVID-19 relief or recovery package.

Sincerely,

Andrew Lautz
Policy and Government Affairs Manager

CC: The Honorable Kelly Loeffler
The Honorable Tim Scott
The Honorable Bill Cassidy

⁴ Rodrigo, Chris Mills. "Republicans introduce bill to create legal 'safe harbor' for gig companies during the pandemic." *The Hill*, May 20, 2020. Retrieved from: <https://thehill.com/policy/technology/498855-republicans-introduce-bill-to-create-legal-safe-harbor-for-gig-companies> (Accessed July 27, 2020.)