



**Date:** November 15, 2023

**To:** Members of the Wisconsin Senate Committee on Utilities and Technology

**From:** National Taxpayers Union

**Re:** Support for Senate Bill 559

Dear Chairman Bradley, Vice Chairman Wanggaard, and members of the Senate Committee on Utilities and Technology,

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, we strongly encourage you to support Senate Bill 559. The bill aims to establish the status of independent contractors for delivery network couriers and drivers while introducing an innovative method for companies to offer portable benefit accounts and insurance coverage to retain and attract workers.

During the COVID-19 pandemic, food delivery and ridesharing companies played a crucial role in keeping the economy afloat while ensuring public safety. The "gig economy" was vital to keeping the economy above water and the public safe. Furthermore, ridesharing companies provide opportunities for independent contractors who want to earn wages with greater lifestyle flexibility.

SB 559 clarifies that delivery network couriers and drivers working for transportation network companies are independent contractors and not employees of the delivery network company. Ensuring that couriers and drivers remain treated as independent contractors is essential to preserving those freedoms. Most drivers want to see that classification codified into law.

By firmly establishing these drivers as independent contractors, delivery companies could offer benefits to attract and retain drivers without being classified as an employer. SB 559 enhances worker benefits, permits companies to create and implement a portable benefit system, and provides insurance options that previously were not available. By connecting benefits to an individual contractor, as opposed to a delivery company, contractors can easily transfer benefits from one job to another.

It is important to note that participation in the portable benefits system prescribed in this legislation is voluntary and is intended to address the concern that independent contractors lack accessibility to benefits that employers traditionally provide. SB 559 would allow delivery companies to maintain their business model while expanding worker access to vital benefits.

As our state continues to recover economically from the pandemic and now battle the effects of increasing inflation, we must enact policies that safeguard the ability of Wisconsin residents to continue earning an income so they can provide for their families. This legislation will improve Wisconsin's employment landscape by giving employers a tool to attract workers when they struggle to fill vacancies. We respectfully urge you to support SB 559.

Thank you for your time and consideration of NTU's comments. Please do not hesitate to contact us if you have any questions.

Sincerely,

Leah Vukmir  
Senior Vice President of State Affairs

Jessica Ward  
Senior Director of State Affairs

Mattias Gugel  
Director of State External Affairs