

Independent Contractors Overwhelmingly Reject U.S. Labor Department Plans for Widespread Reclassification

Self-employed Americans dominate public hearings, demanding that the government stop attacking their choice of self-employment

WASHINGTON, **D.C.**, **JULY1 1**, **2022** — So many independent contractors demanded to be heard at a public hearing Wednesday night about the U.S. Labor Department's plans to redefine legal self-employment under the Fair Labor Standards Act that the department was unable to hear from all the attendees in the allotted two minutes each — even after splitting the hearing into two simultaneous video calls that lasted for two hours apiece.

"Dozens and dozens of independent contractors insisted that the Labor Department stop attacking our choice of self-employment," says Jen Singer, a freelance writer from New Jersey and co-founder of the nonpartisan, ad hoc, self-funded coalition Fight For Freelancers. "Only a handful of people asked the department to change the rule, and most of them weren't even independent contractors. They were union organizers or union members who wouldn't be affected by any rule change."

The Labor Department began the new rule-making process and organized two public hearings, one for "employers" and one for "workers," after a <u>federal judge ruled in March</u> that the department violated the law by failing to provide the public with a "meaningful" opportunity to comment on its first attempt to change the current independent contractor rule.

At the first hearing, held June 24, only a single caller among more than 40 speakers supported the Labor Department's actions. Independent contractors trying to defend their chosen careers at both hearings included freelance writers, editors, translators, interpreters, graphic artists, designers, musicians, truckers and more.

"We told the Labor Department that we want these attacks on our small businesses to stop," says Karon Warren, a freelance writer from Georgia and co-leader of Fight For Freelancers. "There are 59 million independent contractors in this country. We're a third of the U.S. workforce, and study after study shows that the majority of us are happy. Lawmakers and regulators need to stop their outrageous attempts to misclassify us as employees."

Self-employed Americans continue to express concern that the department will implement the ABC Test to determine who is an independent contractor. The same test was signed into law as California's Assembly Bill 5 in 2019 and resulted in the loss of income and careers for so many independent contractors that the California Legislature passed an emergency measure less than a year later, ultimately exempting more than 100 professions. The Biden administration has since been urging Congress to adopt the same ABC Test in the Protecting the Right to Organize (PRO) Act, with union leaders threatening to withhold campaign contributions unless the bill becomes law. Moderate Democrats in the Senate blocked the PRO Act to protect independent contractors from the same fallout that was seen in California, leaving the administration to attempt regulatory workarounds such as the Labor Department's current rule-making effort.

Independent contractors have been vocal on Twitter leading up to the hearings, using the hashtag #WhatTheHellDOL to criticize the agency's plans. Some are now tweeting about how Wednesday night's hearings ended without them being given a chance to speak.

"I was one of the independent contractors who, yet again, got ignored by the Labor Department about a regulatory change that will directly affect me," said Debbie Abrams Kaplan, a freelance writer from New Jersey and co-founder of Fight For Freelancers who asked to speak within seconds of entering the video meeting. "They won't meet with us in person or on a call. They won't let us all speak at public hearings, even if we limit our comments to two minutes each. It feels like they are going to use a blunt instrument to solve a problem that could be corrected with a scalpel."

Jessica Looman, acting director of the Labor Department's Wage and Hour Division, told participants they could file written comments *after* the proposed rule is in the Federal Register.

"These hearings made clear, yet again, that the Biden administration has no intention of listening to actual independent contractors," says Kim Kavin, a freelancer from New Jersey and co-founder of Fight For Freelancers. "Whether it's voters passing a ballot proposition to protect independent contractors in California, public outcry that stopped anti-freelancer legislation in New Jersey, the government's own research showing 79% to 85% of independent contractors are happy, or public hearings where self-employed Americans dominate, we are screaming for our government to stop threatening our livelihoods. If this Labor Department plows ahead with its plans to misclassify us as employees, it will be intentionally against the clearly stated wishes of most independent contractors across the country."

#FightForFreelancers

#WhatTheHellDOL

www.fightforfreelancersusa.com

Media contacts:

Jen Singer, 973-534-0838, @jensinger, jensinger@live.com
Karon Warren, 706-276-3497, @karonwarren, karonwarren@gmail.com
Debbie Abrams Kaplan, 908-232-5498, @KaplanInk, debbie@kaplanink.com
Kim Kavin, 908-975-3031, @thekimkavin, kim@kimkavin.com