



**Opening Statement of Rep. Kevin Kiley (R-CA), Chairman
Subcommittee on Workforce Protections**

**Hearing: “Unlocking Opportunity: Allowing Independent Contractors Access to
Benefits”**

April 11, 2024

(As prepared for delivery)

How can we ensure that American workers remain secure and prosperous in the modern economy?

Expanding access to benefits is central to that goal. Benefits—including paid leave, retirement, health insurance, life insurance, childcare allowances, and more—are indispensable to the American workforce. According to the Society of Human Resource Management, 60 percent of employees find benefits “extremely” or “very” important when considering future jobs.

However, millions of hardworking individuals across the country lack access to these benefits. Independent contractors who are not covered by federal employment statutes have indicated that benefits are important to them—but not at the expense of their flexible work schedule. For instance, a 2020 survey of rideshare drivers showed that 67 percent of drivers prefer to get benefits with their independent contractor status intact instead of receiving benefits through traditional employment.

Estimates vary, but on the high end, nearly 70 million American workers rely on independent forms of work, and on the low end, about 17 million. And this segment of the workforce is only growing.

That is a lot of lives, children, and families, that may not have reliable benefit coverage, no matter how you slice it.

I see two options moving forward. One, accept that tomorrow's workforce will have less access to benefits than today's. Or two, transition to a new model in which benefits are attached to the worker and not the employer.

I am firmly in the latter camp. We should not resign our workforce to the constant struggle of hunting for benefits at the drop of a hat or the termination of a contract. American families should not be put at risk for the type of livelihood one chooses to pursue. Benefits should be flexible, customizable, and fit the nature of every type of work.

Portable benefits are the solution. By attaching benefits to the worker, portable benefits will build the bridge from traditional employment to the modern workforce without putting families at risk.

This transition is already underway. Many states are spearheading portable benefit programs and more than ten states are taking a serious look at implementing portable benefits.

In California, there are over 200,000 Uber drivers alone that stand to benefit from a such a program. That number doesn't include the thousands of photographers and freelance writers across the Golden State.

I will be the first to admit that neither California nor the Department of Labor have been supportive of independent workers. However, I see policy movement in this direction as a common ground we can all share.