



Uber Fallout - A Change in the Law?

News

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The article, "Uber Fallout - A Change in the Law?" featured in *Lawyer and Settlements*, highlighted the continuing saga between Uber and California labor law regarding misclassification.

"Even if both parties reached an agreement, there needs to be a change in the law," said Todd Scherwin.

Ultimately both parties will go back to the drawing board to settle, but Todd believes not before "we see a true fight and potential trial with a decision being reached," he said. "Most everyone is frustrated with the lack of ability to settle." This lack of ability is due to the difficulty in putting a number on what is considered a reasonable settlement because so many individuals are involved. According to Uber, some 385,000 drivers from California and Massachusetts are affected by this settlement. And after legal fees, the average driver will likely end up with less than \$1,000 - should they settle.

"The issue of misclassification is not being resolved and it is gnawing at the court," said Todd. "So this suit is stuck between a settlement and payout to the Uber class or it will be a trial based on the merits. People are trying to avoid the latter, but the more times this settlement falls apart, the more likely it will end up in a trial."

Todd explained that Judge Chen isn't saying that he won't consider more settlement proposals. But perhaps both parties - Uber and plaintiffs - get stuck figuring out what may get approved by the court, throw up their hands and agree not to agree--they cannot settle this issue. Or they may try one more shot with a certain amount. "Now the appellate court is deciding whether the arbitration agreements signed by the drivers are enforceable. If the arbitration agreements are determined to be enforceable it will cut the class size down by over 90 percent," he stated.

In the meantime, Todd gazes into his crystal ball. "If they are unable to come to an agreement, we will see it move forward to reach a decision on its merits ???" independent contractor or not. My gut check is that the Uber driver is an independent contractor but that doesn't mean a jury or court will agree with me. There needs to be a change in the law."

To read the full article, please visit [Lawyer and Settlements](#).

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