

Congress Sends Mixed Signals On Next Steps For The Gig Economy

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One of my favorite workplace law reporters, <u>Tyrone Richardson of Bloomberg Law</u>, had two stories in the past week addressing the issue of Congress and the gig economy. They present two sides of the same coin when it comes to the possible action that our nation's federal lawmakers might take with respect to gig workers and the companies that retain their services.

In his first piece, 'Future of Work' Policy to Take Shape Outside of Congress (Dec. 12), Richardson examines how Congress has left a huge void when it comes to modern regulation for this most modern of industries. While the Labor Department, the executive branch, and state lawmaking bodies seem to have an appetite for looking into classification issues and gig worker rights, the fractured nature of Congress and the infrequency with which we see bipartisan approaches to thorny problems lead many to conclude that Congress will not be making substantive progress on the matter anytime soon. While the expected incoming chair of the House Education and Workforce Committee, Bobby Scott, has indicated that Congressional hearings will soon be on the horizon to address "future of work" matters (such as gig work and contractor classification), there appears to be strong resistance from the Republicans in the House—and, more importantly, the Senate—when it comes to adding more "regulatory red tape" for businesses.

Meanwhile, in his latest piece, Lawmakers Seek Help Shaping Portable Retirement Accounts Bill [Dec. 18], Richardson notes that two Democratic lawmakers are indeed looking into the gig economy to solve one of the bigger problems facing the industry: the issue of portable benefits. It's no surprise that Virginia Senator Mark Warner is on the forefront of the debate; we've discussed on this blog his advocacy for the Labor Department to update its statistics to help us get better insight into the size of the gig economy in 2016, his crafting a concept and introducing a bill in 2017 to assist local governments with funding and development of portable benefits for gig workers, his following that up with a proposal designed to tackle tax issues that arise for gig workers, and his introducing an amendment to the September 2018 congressional appropriations package that would move us one step closer to allowing gig workers to maintain portable benefits. Now, along with Representative Jim Himes [D-Conn.], Senator Warner is gathering input from key stakeholders in the hopes of introducing legislation in 2019 to permit gig workers to invest in an alternative retirement plan that would move with them as they change jobs. "As more and more Americans can expect to hold multiple jobs across a career, a year, and even a day, we need to provide them with

access to flexible, portable benefits such as retirement savings that will carry with them from employer to employer and gig to gig," Warner said in a statement provided to Bloomberg Law.

We'll keep an eye on this proposal and report more as developments occur.

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