

Statement of The Transportation Alliance

Before the House Committee on Education & Workforce

Hearing: Unleashing America's Workforce and Strengthening Our Economy

Chairman Walberg, Ranking Member Scott, and Members of the Committee:

On behalf of The Transportation Alliance (TTA) and the thousands of small businesses we represent nationwide, we appreciate the opportunity to submit this statement for the record. This hearing, *Unleashing America's Workforce and Strengthening Our Economy*, is critical to our industry and the millions of independent contractors who rely on flexible work opportunities to provide for themselves and their families.

The greatest contribution Congress can make to small businesses and entrepreneurial workers is to repeal the Biden administration's independent contractor rule. This rule significantly undermines the ability of individuals to work independently and pursue their professional goals on their own terms. Many in our industry—whether they operate taxis, limousines, non-emergency medical transportation services, or other mobility enterprises—choose to work as independent contractors because it provides the flexibility, autonomy, and opportunity they need to succeed. The Biden rule threatens to strip away this fundamental choice, forcing many who wish to be their own boss into employment arrangements they neither need nor want.

By contrast, the original Trump administration independent contractor rule provided much-needed clarity and protection for workers seeking flexibility and control over their own businesses. It recognized the diversity of the modern workforce and ensured that those who wished to operate as independent contractors could do so without unnecessary government interference. That rule acknowledged that independent contractors are not merely employees by another name but business owners, entrepreneurs, and skilled professionals making their own way in the economy.

The Biden administration's rule disregards this reality by making it significantly harder for individuals to qualify as independent contractors. It replaces clear, objective criteria with a vague and restrictive test that often misclassifies true independent contractors as employees. This shift threatens the livelihood of countless transportation professionals and hampers innovation, limits job opportunities, and discourages entrepreneurship in one of the most dynamic sectors of our economy.

The transportation industry has long been a driver of economic growth and mobility, providing essential services to millions of Americans. Small businesses and independent contractors are the backbone of this industry. The ability to operate independently allows drivers and operators to build their own businesses, set their own schedules, and tailor their services to the needs of their communities. Stripping them of this ability does not empower workers—it constrains them.

We urge this Committee and Congress as a whole to take decisive action to repeal the Biden administration's independent contractor rule and restore the clarity and freedom that the Trump-era rule provided. Doing so will not only strengthen our economy but also ensure that those who wish to work independently can continue to do so without unnecessary government overreach.

Thank you for your attention to this critical issue, and we appreciate your commitment to fostering an economic environment where independent work and small business growth can thrive.