



April 18, 2023

The Honorable Kevin Kiley
Chairman
House Education and Labor Committee
Subcommittee on Workforce Protections
U.S. House of Representatives
Washington, DC 20510

The Honorable Alma Adams
Ranking Member
House Education and Labor Committee
Subcommittee on Workforce Protections
U.S. House of Representatives
Washington, DC 20510

Chairman Kiley and Ranking Member Adams:

On behalf of The Transportation Alliance (“TTA”) we submit this statement for the record to the United States House of Representatives Education and Workforce Committee, Subcommittee on Workforce Protections for the hearing entitled “Examining Biden’s War on Independent Contractors.” We appreciate the Committee holding this hearing exploring independent workers and the current regulatory challenges we face. We urge the Committee to work in a bi-partisan way to unleash the entrepreneurial spirit in this country and not tie the hands of current and future small businesses.

At a press conference on August 12, 1986, U.S. President Ronald Reagan said, “The nine most terrifying words in the English language are I’m from the government and I’m here to help.” No truer words today when talking about the Administration’s efforts to redefine who qualifies as an Independent Contractor. TTA opposes the Administration’s Proposed Rule because it looks to put further roadblocks in place preventing people from starting and building a business. To a large segment in this country buying that first home is part of living the American dream. To others, it’s taking that risk and starting their own business. The current proposed rule limits those dreams and opportunities.

If COVID-19 taught us anything, it’s that workers want options, and they want flexibility when it comes to work. The Administration’s Proposed Rule places more restrictions on today’s ever-changing workforce. The Administration’s Proposed Rule prevents that entrepreneurial spirit we hear so much about in this country. The government shouldn’t create barriers to creating a business. The government should be making it easier for people to invest in themselves. The current proposed rule takes these opportunities away from people. For these reasons, TTA opposes the Administration’s current effort to redefine who is considered an Independent Contractor.



According to a study done between 2005-2015 by Lawrence Katz of Harvard University and Alan Krueger of Harvard University, their research showed that the number of independent contractors in the United States rose from 10.7% to 15.8%. This trend will only continue if people are given the opportunity and flexibility. The government needs to adapt to the changing work environment and encourage people to follow their dreams and not be an obstacle to those dreams.

TTA urges this Committee, and others, to work in a bi-partisan way to lift obstacles to creating a business. The Katz-Krueger data shows that 94% of the job growth in this country from 2005-2025 was created by independent contractors. That equates to 10 million jobs. This is the economic engine that drives this country we urge our elected leaders to support. We urge Congress and the Administration to work with us on growing this number, not limiting it.

The government should not pick winners and losers. This proposed rule does just that. Work with us on creating an economic environment that supports independent contractors and the American dream by immediately pausing the current rule-making.

We look forward to working with you on solutions that support small businesses in this country. Our growth is what will drive economic success in every community in this country. Thank you for this opportunity.

Respectfully,

Jeb Corey

National President