

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6515

MEMORANDUM

TO: Members of the Committee on Small Business

FROM: Committee Majority Staff

DATE: April 17, 2026

RE: Full Committee Hearing Titled: “Independent Work, Real Opportunity: The Gig Economy and the Future of Entrepreneurship”

On **Tuesday, April 21, 2026, at 10:00 AM ET**, the Committee on Small Business will hold a hearing titled “**Independent Work, Real Opportunity: The Gig Economy and the Future of Entrepreneurship.**” The meeting will convene in room 2360 of the Rayburn House Office Building. The purpose of this hearing is to examine how the gig economy expands entrepreneurship and supports small business growth.

I. Witnesses

- **Ms. Kristin Sharp**, Chief Executive Officer, Flex Association
- **Ms. Lisa Alvarez Acevedo**, President, Joyce Florist of Dallas
- **Ms. Elaine Buxton**, President & Chief Executive Officer, Confero Inc.
- **Ms. Rosa Thurnher**, Owner, Aztec Travel Inc dba El Ponce on behalf of The Independent Restaurant Coalition

II. Background

The gig economy is broadly defined as a labor market characterized by short-term, flexible work arrangements in which individuals earn income through on-demand tasks, freelance work, or independent contracting, often facilitated by digital platforms.¹ There are many other sectors of the gig economy, such as property rentals, online marketplaces, and errand services.²

¹ Matthew Denes, Spyridon Lagaras & Margarita Tsoutsoura, *Entrepreneurship and the Gig Economy: Evidence from U.S. Tax Returns*, NAT’L BUREAU OF ECON. RESEARCH (Jan. 2025).

² *Gig economy tax center*, INTERNAL REVENUE SERV., <https://www.irs.gov/businesses/gig-economy-tax-center> (last visited Apr. 14, 2026).

In 2020, during the COVID-19 pandemic, the gig economy took off, with about 2.1 million new workers entering the gig workforce.³ As of 2024, approximately 20 million Americans, were engaged in the gig economy and freelance work. These workers contributed about \$1.5 trillion to the U.S. economy in annual earnings.⁴ Gig entrepreneurship is predominant among the Gen Z and Millennial workforce, with about 52 percent of Gen Z workers and 44 percent of Millennial workers participating.⁵

The rise of the gig economy, enabled by app-based and digital platforms, has reshaped pathways to entrepreneurship and small business formation in the United States. This shift has lowered traditional barriers to entry for entrepreneurship by enabling individuals to generate income independently. Gig entrepreneurs do not have to front capital or deal with unnecessary regulatory burdens associated with a conventional small business. The gig economy also supports small business development by providing income stability and reducing financial risk during the early stages of entrepreneurship.⁶ The gig economy should be understood not merely as an alternative labor model, but also as a driver of entrepreneurship and small business creation in the modern economy.

III. Conclusion

Gig entrepreneurship continues to change the modern labor market by expanding flexibility and control for both workers and small businesses. Traditional 9 a.m. to 5 p.m. arrangements are no longer the only model for a workday. Small business owners can now access specialized talent on an as-needed basis, while workers can set schedules that align with their individual needs. Mutual flexibility enables more efficient allocation of time and resources on both sides of the marketplace. Ultimately, the autonomy created by gig entrepreneurship is not only changing how work is performed but also empowering individuals to build their own businesses.

³ Andrew Garin et al., *The Evolving Role of Gig Work during the COVID-19 Pandemic*, NAT'L BUREAU OF ECON. RESEARCH: THE DIGEST (Aug. 1, 2023).

⁴ Gabby Burlacu and Kelly Monahan, *The Future Workforce Index: Evolving Talent Trends in 2025 and Beyond*, UPWORK (Apr. 23, 2025).

⁵ *Freelance Forward 2023*, UPWORK, (Dec. 12, 2023).

⁶ Scott A. Wolla, *How does the Gig Economy Support Entrepreneurship?*, FED. RESERVE BANK OF ST. LOUIS (Apr. 1, 2024).