



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

March 4, 2019

The Honorable Paul Holvey
Chair, House Rules Committee
Oregon House of Representatives

Re: HB 2498 - Independent Contractors

Dear Chair Rep. Paul Holvey and members of the House Rules Committee:

TechNet is the national network of over eighty technology companies that promotes the growth of the innovation economy through bipartisan advocacy at the federal and state level in all fifty states. TechNet's diverse membership includes dynamic American businesses ranging from small startups to the most prominent global companies and represents more than three million employees in the fields of information technology, e-commerce, clean energy, gig and sharing economy, venture capital, and finance.

TechNet respectfully submits these comments in opposition to HB 2498 which significantly changes Oregon's multi-part test to determine who is considered an employee versus an independent contractor.

TechNet believes this legislation unfairly forces policymakers to choose between a pro-innovation and pro-worker model for Oregonians in all types of businesses. Our member companies are strongly interested in working collaboratively with partners in the State Administration, the Legislature, and the labor community to address ways in which companies can increase worker voice and expand access to benefits while still maintaining the worker flexibility on which so many Oregonians rely.

Flexible work opportunities have added employment opportunities that previously had never existed while increasing revenue streams for existing brick and mortar retailers. The resulting economic impacts of these opportunities have allowed retailers to compete with larger online storefronts in the 21st century, and these benefits must be taken into consideration.

Additionally, new benefits to independent workers are being created and offered as these industries evolve. For example, occupational accident insurance, health savings accounts, safety protections, and real-time access to income without the traditional pay cycle have all created opportunities for work that maintain worker dignity. Rather than disallow for certain types of employment, we believe that a better way to address this issue would be to reexamine Oregon's labor laws to allow companies to bridge the gap between 1099 and W2 compensation through robust benefits sets.

Rather than trading away the flexibility that has lowered the barrier of entry to work and made so many innovations flourish, we should look to modernize our labor laws so that workers of all stripes are served, whether full-time, part-time or independent.

Thank you in advance for your consideration on this matter. TechNet looks forward to continuing to engage on this issue. Please do not hesitate to reach out if I may be able to provide you with additional information.

Sincerely,

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