



VOTE NO on HB 2498

Protect Oregon’s Independent Entrepreneurs

HB 2498 Turns Oregon’s Independent Contractor Law Upside Down

HB 2498 significantly changes Oregon’s multi-part test to determine who is considered an employee versus an independent contractor. The bill adopts parts of the *Dynamex* decision issued in April 2018 by the California Supreme Court—this decision created a restrictive “ABC” test that continues to jeopardize work opportunities for millions of independent contractors in California.

House Bill 2498 changes the current test to determine who is considered an employee versus an independent contractor in Oregon. It does this by adding a new question to the test:

Is the worker’s service outside the usual course of business?

If the answer is ‘**NO**’ then the individual will no longer be considered an independent contractor and will be reclassified as an “employee.”

HB 2498 would impact independent contractors across all sectors:

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|--------------------|-----------------------|-----------------------|---------------|
| Truckers | Medical Professionals | Hair stylists | Accountants |
| In-home Caregivers | Plumbers | Engineers | Travel agents |
| Taxicab Operators | Pharmacists | Software Designers | Realtors |
| Insurance Agents | Lawyers | AND MANY MORE! | |

HB 2498 Reduces Self-Employed Individuals’ Income and Flexibility

Self-employed individuals choose to become independent contractors for a variety of reasons. Typically, an independent contractor can earn up to 20% to 40% more than their in-house counterparts performing the same work. Independent contractors also have the flexibility and freedom of being their own boss. They control how often they work, how much they charge clients, and where they work. Employers often can afford to pay higher rates to independent contractors because they are not responsible for their employee benefits. This provides an important workforce option to employers, especially those faced with fluctuating seasonal demands.

HB 2498 Increases Costs for Businesses and Limits Opportunities

This new employment test will drive up the cost of doing business for employers and independent contractors. Many employers would be unable to afford the cost of hiring new employees. Adding a new independent contractor test also is likely to spur litigation which will burden Oregon businesses for years to come.

Vote NO on HB 2498 and protect local businesses and entrepreneurs.