

**Testimony on H. No. 1158/S. 627  
An Act Establishing Protections and Accountability For TNC and DNC Workers, Consumers, And  
Communities (EPA)**

**Submitted to the Joint Committee on Financial Services  
Massachusetts Legislature  
November 6, 2023**

**SUPPORT**

Submitted By:  
Lorena Roque, Senior Policy Analyst  
Center for Law and Social Policy  
Washington, D.C.

Dear Members of the Joint Committee on Financial Services,

Thank you for holding this hearing and for the opportunity to submit this testimony on behalf of the Center for Law and Social Policy (CLASP). CLASP stands in strong support of H. 1158/S. 627 an act establishing protections and accountability for TNC and DNC workers, consumers, and communities, which would establish TNC drivers and DNC delivery workers as employees, establish minimum wage for all working time, and holds TNC and DNC companies accountable by requiring data reporting to be shared, among other provisions.

CLASP is a national, nonpartisan, nonprofit, advancing anti-poverty policy solutions that disrupt structural, systemic racism, and remove barriers blocking people from economic justice and opportunity. With deep expertise in a wide range of programs and policy ideas, longstanding relationships with anti-poverty, child and family, higher education, workforce development, and economic justice stakeholders, and over 50 years of history, CLASP works to amplify the voices of directly-impacted workers and families and help public officials design and implement effective programs. CLASP also seeks to improve job quality for workers earning low incomes. That includes increasing wages and providing access to paid sick days, paid family and medical leave, and stable work schedules. Quality jobs enable individuals to balance their work, school, and family responsibilities – promoting economic stability as well as career advancement.

All working people have a right to a good, stable job that pays them a living wage and treats them with respect. Throughout the Commonwealth of Massachusetts, hundreds of thousands of hourly workers – disproportionately women and people of color – struggle to earn a stable income because of low wages and the inability to access employee benefits. H. 1158 affirms the rights TNC and DNC workers have as employees in Massachusetts, including minimum wage, overtime, unemployment insurance, anti-discrimination, worker's compensation and paid family and medical leave.

### *Establishing Minimum wage for TNC and DNC workers for All Working Time*

Transportation Network workers and Delivery Network workers have struggled to make a livable wage and do not receive benefits from their employer. In fact, a national survey found that 31 percent of gig workers were unable to pay the full amount of their utility bills due to a lack of income in the month prior to the survey.<sup>1</sup> Despite DNC and TNC workers being paid by ride or delivery, network companies themselves have estimated that drivers spend only 54 percent to 62 percent of their working time “engaged” in a ride or delivery. Therefore, workers are not adequately compensated for all the time they spend on the job.

This legislation establishes that TNC drivers and delivery workers must be paid at minimum, the state minimum wage for hourly work, for *all their working time*, which is consistent with existing Massachusetts law of “minimum compensations guarantee.” This legislation outlines what constitutes as all working time:

- a. Time assigned to and returning from a particular rider/delivery to a base location.
- b. Time in which drivers and delivery workers are “standing by” and
- c. Cannot be reduced by deductions/work-related expenses such as mileage costs (consistent with Massachusetts’ minimum wage law).

### *Providing Equitable Labor Protections*

Since TNC and DNC workers are currently not classified as employees, they do not have labor protections that employees would otherwise have. This legislation would prohibit discrimination and retaliation against drivers and delivery workers for seeking to exercise their rights under this act, including reporting wage theft and advocating for fair compensation. This legislation also permits the Attorney General to issue civil penalties and for aggrieved individuals to file lawsuits for civil penalties.

### *Data Collection and Corporate Accountability*

TNC and DNC digital platform companies have relentlessly mounted federal, state, and local campaigns across the country to erode worker rights and avoid employer accountability. Following Proposition 22 in California, which sought to permanently classify digital platform workers as independent contractors, a similar ballot initiative was introduced (and then withdrawn) that would have exempted health care workers from employment protections.<sup>9</sup> Ten states have passed broad “marketplace contractor” legislation that exempts all current and future app-based workers from protections like minimum wage, unemployment, and overtime laws.<sup>10</sup>

H.1158 would reaffirm TNC and DNC workers’ status as employees under Massachusetts law and hold corporations accountable by requiring Transportation Network and Delivery network companies to maintain contemporaneous payroll data for each driver and delivery worker, which would be made available to the Massachusetts Department of Labor Services (DLS) and the Attorney General open request, and also requires DLS to make public aggregated data on a quarterly basis.

The Commonwealth of Massachusetts has been a national leader in building economic opportunity and security for working families. Massachusetts was the first state to pass a minimum wage law in 1912, the first state to pass a near-universal health care coverage, and one of just a handful of states to pass paid family and medical leave.

CLASP supports H.1158 and urges the committee to support and pass this legislation. Thank you for your time and attention on this important issue.

Sincerely,  
Lorena Roque  
Washington, D.C.  
[lroque@clasp.org](mailto:lroque@clasp.org)