

Committee on Labor and Public Employees

PUBLIC HEARING - February 18, 2021

H.B. 6343 - AN ACT ENSURING FAIR EMPLOYEE PROTECTIONS FOR GIG WORKERS

Testimony by Timothy Phelan, President, Connecticut Retail Merchants Association

Good morning, my name is Tim Phelan and I am the President of the Connecticut Retail Merchants Association. Thank you for the opportunity to provide testimony today.

As you know, retail businesses in communities all across Connecticut support more than 470,000 jobs and contribute more than \$34 billion to the state's economy. There are roughly 42,000 retail establishments in our state, and overall, the retail industry produces approximately 14 percent of Connecticut's total GDP.

Retail businesses large and small provide good jobs for Connecticut families, both full-time and part-time. More than 98 percent of all retail companies are small businesses, employing fewer than 50 people.

As much as any other industry, we are well aware of the flexibility that people require in balancing jobs and other aspects of their lives, and certainly these many months of the pandemic have underscored how important that flexibility is for so many people across our state. With children at home, and elderly parents needing a helping hand, people are pulled in multiple directions and often need to seek creative alternatives to bring in income.

That is why I am here today, to express concerns about House Bill 6343, which would be a step in the wrong direction for ridesharing service providers, some food delivery drivers, and others who value the flexibility and independence that they now have as independent contractors.

This bill would put the services they provide to the public, and the earning opportunities that they have, in jeopardy. And at the worst possible time – in the midst of a pandemic when lower earnings and less flexibility is the last thing that these individuals need or deserve.

Opposing this legislation is, in many ways, reaffirming a “declaration of independence” for these individuals. We should not diminish or deter their efforts to maintain the independence and the schedule flexibility that they currently enjoy – and which is extremely attractive, even indispensable.

The reality is that independent, flexible work is a critical and growing part of the economy. And for some, it is a lifeline as our state and the nation strives to re-energize economy in the aftermath of COVID. We are aware that in survey after survey, 70 or 80 or 90 percent of individuals in this segment of our economy prefer the status quo – they want to set their own schedules. That's not possible in every industry, but here it is. And that should continue to be an alternative for those who choose it.

I would urge the legislature to reconsider moving forward with this proposal, and refrain from removing opportunity, flexibility and independence from those whose livelihood and well-being may depend on it.

Thank you very much.