



March 5, 2025

The Honorable Pam Beidle  
Chair, Finance Committee  
3 East Miller Senate Office Building  
Maryland General Assembly  
Annapolis, Maryland 21401

**Re: Oppose SB 938**

Dear Chair Beidle and members of the committee:

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advancements – I write to **respectfully urge you to oppose SB 938**.

We encourage you not to make any changes to the established framework that determines employer-employee relationships that could threaten the independent status of app-based gig workers.

**Millions of workers rely on app-based work as a significant source of income<sup>1</sup>**

Gig work has proven to be an economic lifeline for millions of Americans met with increasing financial strain due to inflation. 34% of Marylanders have earned income on app-based platforms, and the app-based industry contributes an impressive \$3.7 billion to the state's economy.<sup>2</sup>

Women in particular play a critical role in the app-based workforce, often turning to it for flexibility as they manage many responsibilities, including caregiving. With women 1.6 times more likely than men to work part-time<sup>3</sup> and over four times more likely to cite family obligations as the reason, systemic challenges like high childcare costs and limited elder care options push many toward app-based work

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<sup>1</sup> See <https://www.jsonline.com/story/money/careers/2022/04/07/delivery-driving-apps-helped-wisconsin-citizens-through-pandemic/9440418002/>

<sup>2</sup> See <https://www.flexassociation.org/industry-impact/economic-impact-by-state/>

<sup>3</sup> See <https://nwlc.org/resource/part-time-workers-factsheet/#:~:text=Women%20are%20about%201.6%20times,17.2%25%20of%20all%20working%20men.>

to balance income with caregiving demands. Women now make up 58% of DoorDash drivers<sup>4</sup> and about 50% of Uber's delivery drivers.<sup>5</sup> The flexibility of app-based services allows drivers to generate income on their own schedule.

### **App-based gig workers have consistently reported that they want to remain independent**

In a 2022 poll, 77% of app-based workers supported maintaining their status as independent contractors.<sup>6</sup> Nationwide, 36% of app-based workers have full-time employment (more than 30 hours per week) in addition to their gig work, and 20% are balancing unpaid caregiver responsibilities.<sup>7</sup> App-based workers also consistently report that the ability to set their own hours, work across multiple platforms, and work when and where they want are the benefits they value most.<sup>8</sup> The flexibility that workers value would not be possible without their independent status.

### **Other states have successfully implemented models that expanded benefits for gig workers while protecting their independent status**

Proposition 22, a ballot initiative that extended health coverage and sick pay to eligible drivers, passed in California with 58.6% of the public vote – including majority support in Black and Hispanic cities and communities in the state.<sup>9</sup> Similarly, in 2023, New York Attorney General Letitia James' office brokered a deal with Uber and Lyft that guaranteed paid family and sick leave for drivers in New York.<sup>10</sup> Washington state also extended benefits like workers' compensation, sick leave, and minimum pay standards to transportation network drivers last year. Each of these cases reflects the priorities of gig workers: gaining job protections while maintaining their independence and flexibility.

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<sup>4</sup> See <https://doordash.news/dasher/a-majority-of-dashers-are-women-heres-why-they-choose-doordash/>

<sup>5</sup> See <https://www.axios.com/2021/08/26/women-gig-economy-doordash-uber-delivery-driver>

<sup>6</sup> See [https://www.flexassociation.org/post/mcworkerssurvey](https://www.flexassociation.org/post/mcworkersurvey)

<sup>7</sup> See <https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf>

<sup>8</sup> See <https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf>

<sup>9</sup> See Analysis of Voter Support of Proposition 22 in California and Los Angeles County, David Lewin and Mia Kim (January 2021) <https://progresschamber.org/wp-content/uploads/2022/01/BRG-Report-on-Proposition-22-12-14-21.pdf>

<sup>10</sup> See NY AG Uber-Lyft Settlement (2023) <https://ag.ny.gov/sites/default/files/settlements-agreements/uber-lyft-aods.pdf>

**We urge you not to move forward with any changes that would affect app-based workers' independent status**

SB 938 would alter the established framework used to determine whether a worker is an employee or independent contractor. The loss of app-based workers' independent status would mean the loss of flexibility and economic opportunities. For the sake of workers across Maryland who turn to app-based work to supplement their income and balance multiple obligations, **we urge you to not to make any changes to the existing framework without careful study.**

Sincerely,

A handwritten signature in black ink, appearing to read "B. January". The signature is fluid and cursive, with the first letter "B" being large and stylized.

Brianna January

Director of State & Local Government Relations, Northeast US