



## Legislation Text

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**File #: 257-22, Version: 1**

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Resolve: That we, the Malden City Council, stand in solidarity with app-based workers and uphold their rights to fair wages and workplace protections, and formally urge the Massachusetts Legislature to oppose H.1234 and the proposed 2022 ballot initiative that would ask voters to grant ride-hail and food-delivery companies special exemptions from Massachusetts labor, civil rights, and consumer protection laws.

WHEREAS, In 2019, the California legislature passed AB5, a simple test for determining who is an employee and who is an independent contractor, which determined that Uber and Lyft ride-hail drivers, DoorDash, Instacart, and Postmates food-delivery workers are employees; and

WHEREAS, App-based companies such as Uber, Lyft, and DoorDash responded by spending \$224 million on Proposition 22, a ballot initiative meant to exclude ride-hail and food-delivery app-based workers from employee rights under state law, including the right to a minimum wage, time-and-a-half for overtime, expenses reimbursement, and benefits such as unemployment compensation and state workers' compensation; and

WHEREAS, California Superior Court Judge Frank Roesch found that the ballot initiative infringed on the power explicitly granted to the California Legislature to regulate workers' compensation and was therefore unconstitutional and unenforceable; and

WHEREAS, In 2020, Uber's CEO stated that "Going forward, you'll see us more loudly advocating for laws like Prop 22," and other Big Tech CEOs have joined them in their promise to bring laws that depress wages, violate civil rights, and put consumers at risk to states across the country; and

WHEREAS, Massachusetts Attorney General Maura Healey is suing Uber and Lyft for failing to follow Massachusetts law by misclassifying employees as independent contractors; and

WHEREAS, In an attempt to escape these violations and avoid paying into Social Security, avoid paying taxes, and harm workers and consumers; the companies are slated to spend \$100 million in support of House Bill 1234 and a 2022 state ballot referendum question asking Massachusetts legislators and voters to grant them special exemptions from our labor, civil rights, and consumer protection laws; and

WHEREAS, H.1234, sponsored by Big Tech, exempts these "gig economy" businesses from paying into Social Security and unemployment, costing Massachusetts taxpayers hundreds of millions of dollars, weakening these programs for everyone, and shielding these businesses from liability and financial responsibility if customers or members of the public are injured; and

WHEREAS, According to a study by the University of California Berkeley Labor Center, under the proposed state ballot initiative, Massachusetts drivers may make as little as \$4.82 per hour, while those who qualify for a health care stipend may earn as little as \$6.74 per hour, which is significantly less than the Massachusetts minimum wage and roughly one-third of the required minimum pay for drivers under New York City and Seattle industry-specific pay standards; and

WHEREAS, H.1234, if passed, would create a permanent underclass of low-wage, mostly Black, Brown, and

immigrant workers by allowing these companies to pay their workers less than minimum wage and provide few if any, benefits; and

WHEREAS, At a moment of racial reckoning in our country, the bill would exclude app-based workers from the robust protections against racial discrimination and sexual harassment under the Massachusetts Civil Rights Act, MGL c. 151B; and according to many leading voices, passing this bill would be among the biggest steps backward in the fight for equity and opportunity at work since the passage of the 1964 Civil Right Act; and

WHEREAS, The Malden City Council has a responsibility to prioritize workers over corporate profits, protect consumers, and oppose any measure that would facilitate wage theft and undermine the rights and benefits of the working-class people who keep our city running;

NOW, THEREFORE BE IT RESOLVED:

That the Malden City Council joins other city councils across the Greater Boston region, workers, consumers, community members, faith organizations, environmental and racial justice advocates, labor rights, civil rights, and union organizers to urge the Massachusetts Legislature to oppose House Bill 1234 and the proposed 2022 state ballot initiative;

AND BE IT FURTHER RESOLVED:

That the City Clerk of the City of Malden is respectfully requested to transmit a suitably attested copy of this Resolution to the Chairs and Vice-Chairs of the Joint Committee on Financial Services, the Senate President, the Speaker of the House, the presenters of the proposed legislation Representatives Mark J. Cusack and Carlos González, and the local legislators to the General Court.