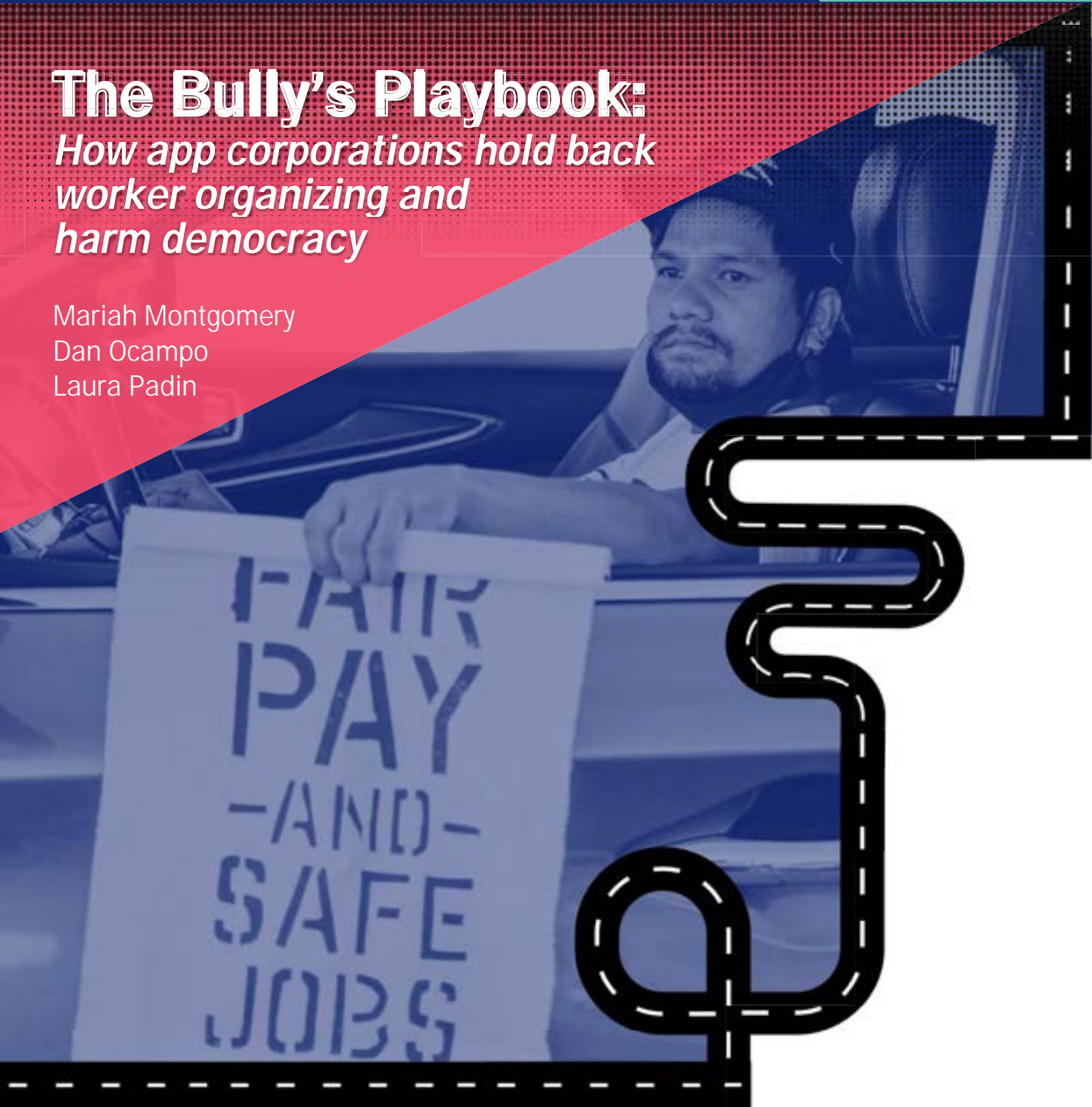


The Bully's Playbook:

How app corporations hold back worker organizing and harm democracy

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App-based workers are renewing their organizing with their eye on changing the law before corporations do it for them.

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About the Author Organizations

PowerSwitch Action is a national network forging a multiracial feminist democracy and economy through local organizing. Our network weaves strategic alliances amongst labor, neighborhood, housing, racial justice, faith, ethnic-based, and environmental organizations to switch governing power from corporations to everyday people. Learn more at www.powerswitchaction.org

Founded in 1969, the **National Employment Law Project (NELP)** is a nonprofit advocacy organization dedicated to building a just and inclusive economy where all workers have expansive rights and thrive in good jobs. Together with local, state, and national partners, NELP advances its mission through transformative legal and policy solutions, research, capacity-building, and communications. Learn more at www.nelp.org



Executive Summary

In the destructive wake of the 2008 financial crisis, Uber and Lyft barged into new markets, bought access to and bullied elected officials, and bamboozled customers into taking political action in their favor, often by misrepresenting facts.¹ Facing aggressive lobbying tactics backed by a flood of corporate money, state legislatures across the country acceded to their demands and passed laws that put their interests ahead of the interests of workers, other businesses, and local communities. App-based drivers responded by organizing and agitating for better working conditions.

As the country has emerged from the pandemic, app-based workers are renewing their organizing with their eye on changing the law before corporations do it for them—again. They are leading campaigns to pass critical minimum labor standards—like a meaningful wage floor, basic benefits, transparency about the terms and conditions of their work, and protections from unfair disciplinary actions like “deactivations”—and to impose accountability on the app corporations for their labor practices. In response, Uber and Lyft—no longer emerging “disruptors” but established, billion-dollar companies—have refined their tactics, expanding them to not only buy, bully, and bamboozle their way into our governing bodies, but also to undermine and co-opt communities and driver groups across the country while cultivating their public image as progressive saviors from racial and economic injustices. At the same time, established delivery app corporations like DoorDash and Instacart have adopted many of these tactics too.

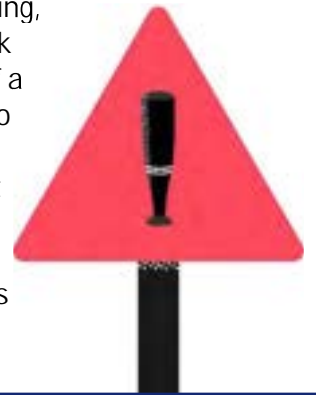
This report lays out the tactics app-based ridehail and delivery corporations have been honing to block the communities they serve from having any say in their operations, allowing these corporations to exploit workers and customers not only to drive money into the hands of wealthy executives and Wall Street, but also to maintain governing power over a burgeoning industry in the face of worker demands for minimum labor standards and transparency about the terms and conditions of their work. This is part of a larger pattern of corporations buying, bullying, and bamboozling their way into controlling workers and their communities across the country to continue to exploit them for profit.

Here's the playbook.

BUY: In 2018, we found that Uber and Lyft deploy an overwhelming number of well-connected lobbyists to push elected officials and their staff to drive statewide preemption policies banning local communities from passing regulatory legislation.² Since then, these corporations have found myriad other ways to exercise economic power and buy policies they want. Uber and Lyft, along with delivery app corporations DoorDash, Instacart, and Postmates, spent \$220 million in California to pass Prop 22.³ Over two election cycles, they have spent nearly \$25 million in Massachusetts—so far—in an ongoing fight for a similar ballot measure there.⁴ They also buy their way into progressive circles by hiring former Democratic staffers and union leaders to provide a pro-worker sheen to their exploitative business models, as well as supporting corporate-funded worker organizations that oppose tactics and policies supported by independent worker organizations and sow divisions within worker movements. And they join forces with each other and with other major corporations to form and fund innocuous-sounding front groups aiming to turn stable and secure employment into precarious “gig” jobs.



BULLY: App corporations not only bully elected leaders, but they also use their data-hoarding, power, and influence to pressure community members and workers to back off from or block policies that would hold them accountable. They target customers, threatening to pull out of a market, raise prices, or deteriorate customer service, and they target workers, threatening to take away their scheduling flexibility or otherwise worsen job quality. At the same time, they exercise their control of data to keep the public in the dark about their operations, making it difficult to critically assess their claims that they cannot adhere to worker-friendly policies—such as minimum pay standards—without radically disrupting service and operations. And when the app corporations’ bullying tactics don’t work at the local level, they pressure states to preempt localities from regulating them and adopting minimum labor standards.



BAMBOOZLE: App corporations get away with their buying and bullying tactics by misleading communities and misrepresenting their business models. App corporations have been building their public image as progressive saviors and innovators while pushing policies and utilizing business models that harm workers and customers. They deploy narrow concepts of racial justice, claiming that app-based work is the answer to racist barriers to job creation that Black and brown communities face, while opposing policies that would improve the precarious working conditions of



their predominantly people of color workforce. They co-opt progressive ideals and use recognizable buzzwords like “flexibility”, “independence” and “freedom”, to confuse legislators and community members and offer superficial solutions to the work/life balance issues that working families face. They argue that their “innovative” business models don’t mesh with “outdated” and “one-size-fits all” employment laws, like minimum wage laws, that should apply to everyone. And they seek to redefine flexible and independent work to mean the gamified and controlled work provided through their apps—the ability to sign on and off an app at will, even though that ability is monitored, mediated, and managed by the corporations, which control key aspects of the work, including pay and assignment offerings.

This is a toolkit of interconnected tactics that these corporations can pull from whenever and wherever needed to shape narratives and control the outcomes of workers organizing to fight back. Using these buy, bully, and bamboozle strategies, app corporations leverage their power and push their way into state and local democracy to exert control over and extract from communities.



Introduction

Ridehail drivers and delivery workers have led a remarkable surge of organizing over the last several years. They are fighting for higher pay, safer conditions, more transparency, and job security in state and local legislatures across the country.⁵ Their organizing is all the more striking given some of the challenges they face: isolation due to atomized work with no physical workplace; shoestring budgets and often little organizational infrastructure; and tremendous opposition from billion-dollar corporations.

This report shines a light on recent efforts by ridehail and delivery workers to improve their jobs and the corresponding strategies that the app corporations have evolved to undermine worker power and control communities. By exercising their economic power, organizing support from key constituencies, co-opting progressive messages, shunting legal claims into arbitration, and creating confusion among policymakers, these companies are often successful at defeating common-sense pro-worker policy proposals. But the drive and desire to win among app-based workers is deep and wide, and we must work together to ensure that they have the resources and support they need to do so.

Drive and desire to win among app-based workers is deep and wide.



How we got here

Uber and Lyft emerged from the economic ashes of the global financial crisis in 2008, which left millions out of work and caused millions more to lose their homes, particularly devastating communities of color. They took advantage of a crisis that forced many people to accept any job that was available.⁶ In a few short years, other app corporations, including DoorDash and Instacart, followed. Now, these apps are ubiquitous, and millions of workers rely on them to provide for themselves and their families.

Throughout the 2010s, as app corporations emerged onto the scene, they used lobbying and public communications to propagate the myth that they are different from other employers—and that our laws need to change to account for these differences. We documented this strategy in our 2018 report “[Uber State Interference: How TNC’s Buy, Bully, and Bamboozle Their Way to Deregulation](#)”, which describes how Uber and Lyft barged into new markets, bought access to and bullied elected officials, and bamboozled customers into taking political action in their favor, often by misrepresenting facts.⁷

Meanwhile, subsidized by millions of dollars in investor capital, Uber and Lyft initially kept prices low and wages high, building their popularity with customers and workers alike.⁸ In most places, they did not face much in the way of organized constituencies of drivers or passengers with their own agendas. Facing a flood of corporate money and lobbying, state legislatures across the country acceded to Uber and Lyft’s demands and passed laws—such as statewide bans on local policymaking—that put these corporations’ interests ahead of the interests of workers, other businesses, and local communities.⁹

2019 and 2020 would prove transformative for app-based workers and their allies with major wins, setbacks, and ultimately the COVID pandemic, which dramatically shifted the landscape for what workers were willing to tolerate and their willingness to organize for better working conditions and wages. In 2019, things were looking up: drivers in New York won the first pay standard in the U.S.,¹⁰ drivers around the world organized massive protests of their working conditions the day before industry leader Uber’s IPO,¹¹ and the California legislature passed AB5, which established a broad test for employment that would have entitled app-based workers to California’s

employment-based rights and protections, including California's \$15 minimum wage, overtime, and paid sick leave.¹²

But just a few months later, the pandemic turned the industry upside down, decimating demand for ride hail and ballooning demand for delivery.¹³ It also exposed the precarious situations of app-based workers, who have no access to benefits—like paid sick leave, workers' compensation, employer-provided health insurance, and unemployment insurance—that are critical during a crisis.¹⁴ Simultaneously, California drivers and their allies in the labor movement were fighting Prop 22—the \$220 million corporate ballot initiative that would strip workers of their rights under AB5. After Prop 22 passed, the benefits package that the app companies offered their workers through Prop 22 proved to be a mirage.¹⁵ And despite the companies' claims of a guaranteed earnings floor, pay decreased for many drivers.¹⁶ Even the companies' central claim—that excluding their workers from employee rights and benefits is necessary to keep their prices affordable—proved to be false. A month after Prop 22 passed, both DoorDash and Uber Eats announced price hikes, a move the workers' advocacy group Gig Workers Rising decried as a "corporate bait and switch."¹⁷

The highs of 2019 and the lows of 2020 created a formula familiar in social movements: raised expectations followed by dashed hopes can reignite worker movements. As the country emerged from the height of the pandemic, ridehail demand picked up again, and drivers and delivery workers are organizing with their eye on changing the law before corporations do it for them. They are leading campaigns to pass critical minimum labor standards—like a meaningful wage floor, basic benefits, transparency about the terms and conditions of their work, and protections from unfair disciplinary actions like "deactivations"—and to impose accountability on the app corporations for their labor practices.



What we are up against now

In response to these worker-led campaigns, the app corporations have refined and expanded the tactics described in our 2018 report. And today, app corporations are in a far different position than in the 2010s. Uber and Lyft enjoy a duopoly in the U.S. ridehail industry, and a handful of firms dominate the now consolidated urban food delivery sector. This dominance brings with it additional credibility and power (both real and perceived) to leverage.

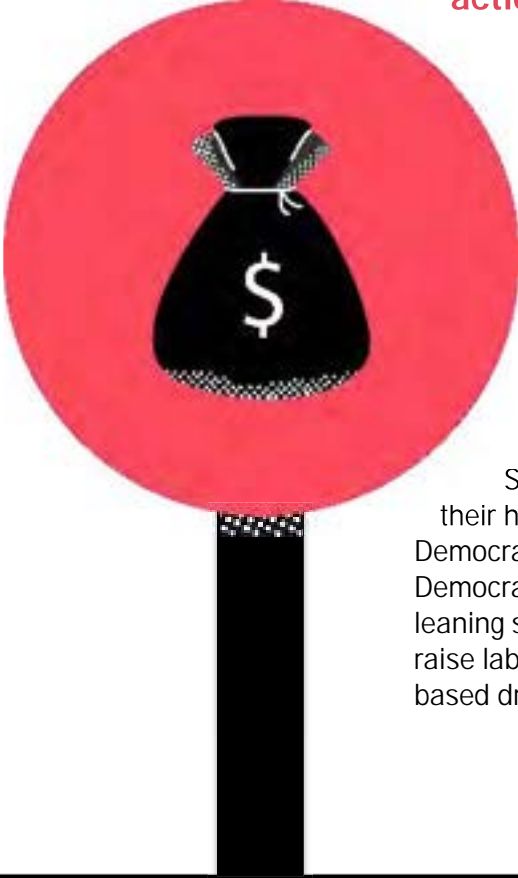
We identify and describe the refined tactics used by these corporations to buy, bully, and bamboozle their way into maintaining and exercising power over communities and drivers below.

In response to these worker-led campaigns, the app corporations have refined and expanded the tactics.

BUY:

Buy: Pour funds into amassing political and economic power to leverage against communities trying to pass policies that would hold app corporations accountable.

Tactic #1 - Hire former Democratic operatives and progressive leaders to provide a progressive sheen to exploitative practices and to block progressive policy actions.



Pouring funds into the strategic hiring of well-connected former staffers for Democratic administrations to provide a sheen of progressive values has been a central part of the app-based corporations' playbook since their inception. For example, David Plouffe, a former strategist for President Obama, and Jim Messina, President Obama's former chief of staff, both worked for Uber, and Lyft hired Anthony Foxx, President Obama's Secretary of Transportation, as its chief policy officer, where he articulated the plan to replicate and scale Prop 22 across the country.¹⁸

Since the passage of Prop 22, the app corporations have expanded their hiring of progressive local leaders—including former staffers for Democratic elected officials and local union leaders—and their cultivating of Democratic party ties to legitimize their business model in Democratic-leaning states, squelch worker organizing, and obstruct policies that would raise labor standards and extend employment rights and protections to app-based drivers and delivery workers.¹⁹



Tactic #2 - Undermine grassroots worker organizing with corporate-funded “worker organizations.”

Industry leader Uber has a track record of funding organizations that purport to be made up of and work on behalf of drivers, even as these groups oppose the organizing efforts of grassroots driver groups to improve working conditions in the sector.

In 2016, Uber founded Drive Forward, which sought to thwart driver organizing efforts in Seattle.²⁰ Although Drive Forward purports to be a membership organization representing driver interests on its website,²¹ Uber contributed between \$225,000 and \$275,000 to Drive Forward in 2022 according to the corporation’s political engagement report; that is more than the organization’s total 2021 revenue (the most recent publicly available).²² According to the most recent available tax filings, Drive Forward’s governing board is made up primarily of current and former Uber and DoorDash executives.²³

The same year, Uber announced the formation of the Independent Drivers Guild (IDG), which represents ridehail drivers using Uber in New York City²⁴ and has received substantial funding from Uber in the past.²⁵ The IDG has faced criticism for opposing tactics and policies proposed by other driver organizations, including stating it would not organize strikes or advocate for drivers to be represented by a legally-recognized union under the National Labor Relations Act.²⁶

In Massachusetts, Uber, Lyft, Instacart, and DoorDash are funding the Massachusetts Coalition for Independent Work, which is represented by driver spokespeople and opposes proposals to allow drivers in the state to organize unions or be classified as employees.²⁷ App corporations have also launched industry-funded “Coalitions for Independent Work” in at least four other states—Colorado, Illinois, New Jersey, and New York—to purport to represent app-based workers’ interests while fighting against pro-worker policies in these states.²⁸

Federal labor law recognizes the inherent contradiction in boss-funded worker organizations, and makes it illegal for an employer to “dominate or interfere” with or “contribute financial or other support” to a labor union.²⁹ But the claims by Uber that it is not an employer of its drivers has allowed Uber’s interference in driver organizing to continue—and with Uber’s

extensive resources this threatens to undermine the power of under-resourced grassroots driver organizing.

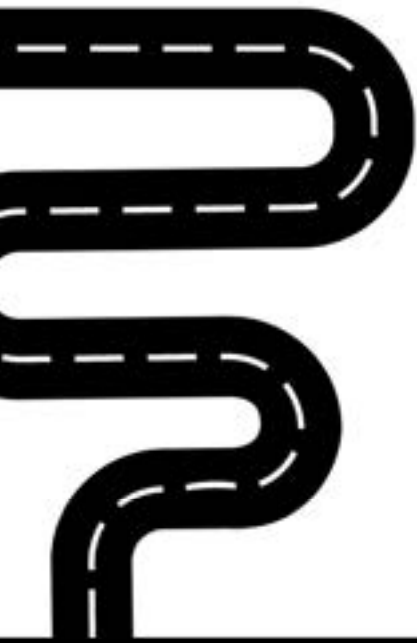
Tactic #3 - Form and fund corporate lobbying groups aiming to turn stable and secure employment into “gig” jobs.

Operating through innocuous-sounding lobbying groups and super PACs, the app corporations have joined forces and pooled resources with each other and other major corporations seeking to turn stable and secure employment into precarious and unpredictable “gig” work.

The Coalition for Workforce Innovation (CWI), a corporate lobby group that includes Uber, Lyft, and Shipt, advocates to exclude millions of working people from fundamental employment rights—including the right to minimum wage and overtime—with the argument that these laws are “outdated.”³⁰ A NELP report on the CWI describes their strategies and tactics.³¹ For example, the CWI is leading a legal challenge to the Department of Labor’s independent contractor rule, which will make it harder for businesses to deny workers federal minimum wage and overtime protections by calling them independent contractors.³²

Flex, a corporate lobby group founded by Uber, Lyft, DoorDash, and Instacart, focuses its efforts on denying app-based workers labor rights under the guise of scheduling flexibility.³³ It has taken aim at the PRO Act, federal legislation that would ensure many workers currently classified as independent contractors have the right to collectively bargain under the National Labor Relations Act.³⁴

Following the passage of Prop 22 in California, Uber and Lyft started laying the groundwork for replicating the model in other Democratic-leaning states through innocuous-sounding front groups. In New York, for example, they have “deployed a host of corporate front groups, lobbying firms, and super PACs to ensure that state policy minimized companies’ costs while maximizing returns to investors”, including the group “Flexible Work for New York” that aims to deny labor protections to app-based workers in New York.³⁵ In Massachusetts, the “Flexibility and Benefits for Massachusetts Drivers” ballot question committee, which is funded by Uber, Lyft, DoorDash, and Instacart, is spending millions to pass a Prop 22 measure in the state.³⁶



BULLY:

Bully: Use their amassed power, influence, and data-hoarding to pressure community members, elected officials, and workers into backing off of or blocking policies that attempt to hold app corporations accountable to workers.

Tactic #1 - Threaten to pull out of a market, raise prices, or deteriorate customer service if progressive policies pass.

When faced with worker demands for rights and protections or public demands for accountability, the app corporations leverage their influence on communities through in-app messages, political ads, and op-eds from community leaders to fearmonger and mobilize customers, often by misrepresenting policy proposals or exaggerating their potential impact.

In New York City, which put in place the first app-based driver minimum wage standard in the country for ridehail drivers in 2019, Uber claimed it would lead to major fare increases for riders.³⁷ A similar story played out in Seattle, which enacted a ridehail driver minimum wage in late 2020 over the loud objections of Uber and Lyft, including warnings that it would “nearly double rideshare rates.”³⁸



Despite the fear mongering, none of this came true. A comprehensive study found that passenger fares in New York rose by a moderate amount of about six percent and passenger wait times fell, while driver wages rose by about nine percent per ride.³⁹ In fact, a new analysis of one billion rides found that Uber increased fares at a higher rate in Chicago—which has no pay standard as of this writing—than it did in New York between 2019 and 2023, even as drivers are seeing smaller and smaller cuts of the fares.⁴⁰ In both New York and Seattle, the ridehail companies continue to operate seemingly without issue, and drivers are earning better and more reliable wages.

Yet Lyft is now spinning a similar tale in Chicago, warning that a fair pay standard pending in the city council would end up “more than doubling the cost of rides.”⁴¹ And in Minnesota Uber has been dubiously claiming that state legislation enshrining driver wage protections would increase fares by 30 percent.⁴²

In some states, the app corporations have embedded themselves in government by obtaining contracts to provide essential public services, which magnifies the impact of their threats to leave or cut service. Minneapolis outsourced some of its responsibility to provide adequate public transportation to people with disabilities to Lyft.⁴³ Then Uber and Lyft threatened to reduce service or shut down operations entirely in response to driver pay standards introduced in the state legislature and Minneapolis city council, which led the disability rights’ community to oppose the state bill.⁴⁴ Although the bills passed the state legislature and city council, the governor of Minnesota and mayor of Minneapolis vetoed them, scared that the companies would follow through on their threats.⁴⁵

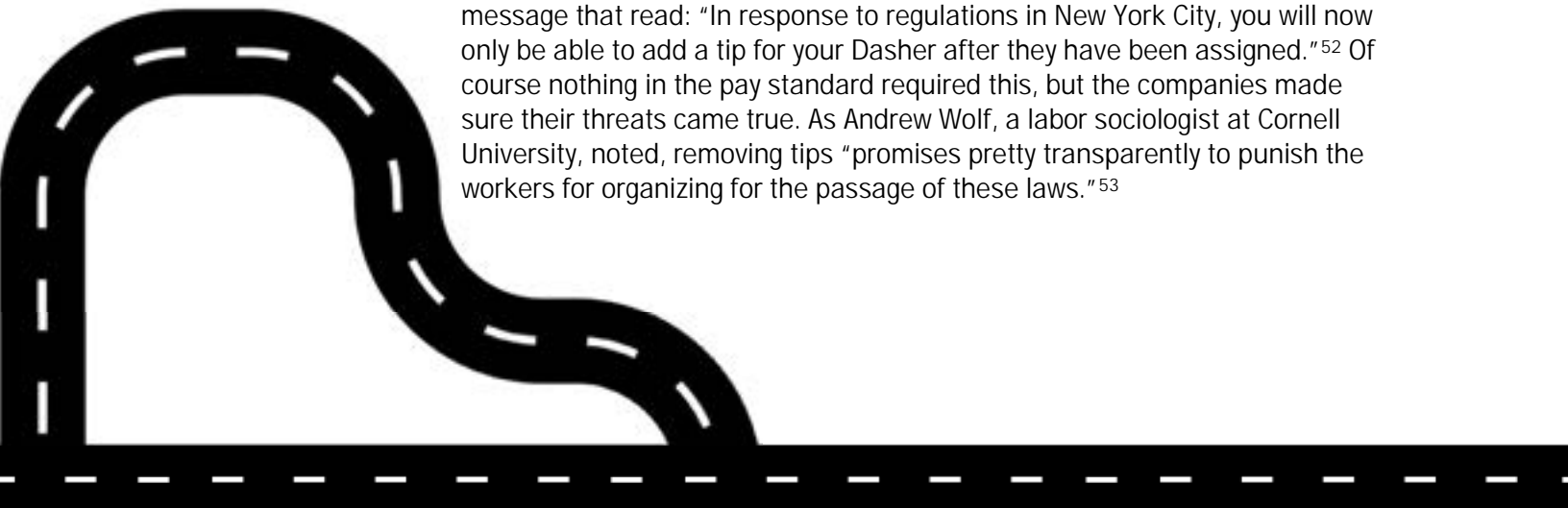
In some states, the app corporations have embedded themselves in government by obtaining contracts to provide essential public services, which magnifies the impact of their threats to leave or cut service.

Tactic #2 - Threaten to take away workers' scheduling flexibility or otherwise worsen job quality if progressive policies pass.

The app corporations have repeatedly threatened to take away workers' scheduling flexibility or worsen job quality if labor standards are passed. They first adopted this tactic while the California legislature was considering AB5, the law that adopts a broad standard for who is classified as an employee. Using the app to barrage drivers with confusing and misleading messaging, Uber and Lyft claimed changes to California law could take away drivers' scheduling autonomy and ability to work for more than one platform, when in fact AB5 did nothing of the sort. What was conspicuously absent from this messaging, of course, was any mention of the many rights and protections drivers would be entitled to as employees under this law.⁴⁶

In New York City, Uber and Lyft briefly followed through on their threats to lock drivers out of the app without warning or justification,⁴⁷ after the city council enacted a driver cap and minimum pay standard.⁴⁸ Uber removed these barriers for ridehail drivers in March 2020, as soon as the pandemic hit.⁴⁹

Similarly, during public hearings about the implementation of a minimum pay standard for New York City's app-based food delivery workers, Uber and Grubhub claimed that the law would lower worker pay because customers would reduce tip amounts or cease tipping entirely.⁵⁰ When the pay standard went into effect in December 2023, the corporations started prohibiting customers from tipping their couriers before ordering.⁵¹ DoorDash falsely told customers it was because of the pay standard, sharing an in-app pop-up message that read: "In response to regulations in New York City, you will now only be able to add a tip for your Dasher after they have been assigned."⁵² Of course nothing in the pay standard required this, but the companies made sure their threats came true. As Andrew Wolf, a labor sociologist at Cornell University, noted, removing tips "promises pretty transparently to punish the workers for organizing for the passage of these laws."⁵³





CASE STUDY

Case Study: Minneapolis city council passes driver pay standard.

In March 2024, the Minneapolis city council overrode the mayor’s veto to pass a minimum pay standard for app-based drivers despite Uber and Lyft’s threats that they would cease operations in the city if the standard were adopted. The pay standard—which was the result of tireless organizing by the Minnesota Uber/Lyft Driver Association (MULDA)—gets drivers to Minneapolis’s \$15.57 minimum wage. As one city councilmember put it, “since every business in Minneapolis must pay the local minimum wage, it is only right that billion-dollar corporations also comply.”⁵⁴

As of this writing, Uber and Lyft are threatening to leave the city when the pay standard goes into effect on July 1st. In the meantime, however, Uber is turning to another of its favorite tactics: trying to block the law from taking effect. Uber has launched a public lobbying effort to get state legislators to intervene and pass “comprehensive statewide legislation” that may ban the local standard.⁵⁵

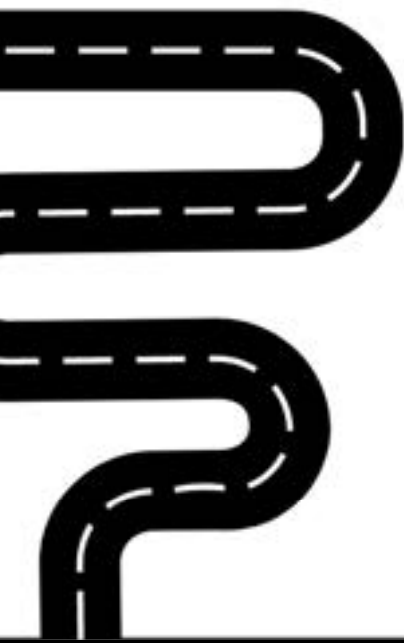
Meanwhile, smaller ridehail platforms are eager to enter the Minneapolis market if Uber and Lyft leave, which would help break the Uber/Lyft duopoly and revitalize competition;⁵⁶ and a state senator has suggested the state explore a public option for ride hailing.⁵⁷ Worker and community groups are working with the city council on strong implementation of the law, which would provide a roadmap for cities and states to stand up to these corporations and break their stranglehold on our democracy.

Tactic #3 - Hoard data to maintain control of the narrative and block community and worker efforts to win standards and accountability.

Uber has used data for political intervention, aiming to sell public officials on the “idea of Uber’s data as something that cities desperately need,” and simultaneously as a thing of value that Uber is able to withhold to “place cities at a disadvantage ... for interrupting problematic industry trends.”⁵⁸ Company initiatives like Uber Movement—which gathers trip data in more than 10,000 cities—promise to give urban planners “more resources than ever” to design “smarter, more efficient, more enjoyable cities.”⁵⁹ Yet, these promises are belied by ridehail corporations’ years-long history of “hide-the-ball” tactics with regulators seeking access to company data.⁶⁰

The same information monopolies also exist between the app corporations and workers.⁶¹ For years, Uber has collected data from drivers and used it to exert control over driver behavior through performance metrics, behavioral nudges, dynamic wage-setting, and scheduling prompts.⁶² With Uber’s national roll-out in late 2022 of “Upfront Fares,”⁶³ the company has moved decisively towards what legal scholar Veena Dubal has described as “algorithmic wage discrimination:”⁶⁴ setting wages according to an opaque and unpredictable algorithm, in which driver pay is decoupled from the fares riders pay, is no longer based on time and distance, and is possibly different from what other workers are getting paid for the same work.⁶⁵

By restricting regulators’ and the public’s access to company data and algorithms, Uber and other app corporations maintain an uneven playing field for public debate in which they make it more difficult to critically assess their claims that they cannot adhere to worker-friendly policies—such as minimum pay standards—without radically disrupting service and operations.



Tactic #4 - Use state preemption as a tool for banning local communities from passing policies protecting app-based workers.

Cities have been at the forefront of improving labor standards for app-based workers, so app corporations have been turning to the states to block them from doing so. New York City and Seattle implemented ride hail driver pay standards in 2019 and 2021, respectively, and both cities more recently implemented pay standards for delivery workers as well. As described in the above case study, Minneapolis just passed a pay standard for ridehail drivers as well despite a barrage of threats from Uber and Lyft.⁶⁶

As explained in our initial report in 2018, when app corporations' tactics don't successfully block worker-friendly policies at the local level, they take their threats to the states, pressuring state lawmakers to prioritize their interests over those of their communities.⁶⁷ This is exactly how Uber has approached the Minneapolis city council's refusal to give into their demands regarding driver pay. After threats to cease operations in Minneapolis did not stop the city from passing a pay ordinance, Uber is taking its bullying to the state level, advocating for state legislation that would overturn the Minneapolis law and possibly ban all Minnesota communities from any future ridehail regulation.⁶⁸

When states succumb to pressure from app corporations to ban localities from regulating them, they effectively tie the hands of local leaders so they can't work with and advocate for their workers and community members, and cities cannot adequately respond to new challenges facing their communities, which erodes trust in government.



Tactic #5 - Use forced arbitration clauses to block accountability.

All the major app-based ridehail and food delivery corporations include forced arbitration clauses in the fine print of their contracts with their workers.⁶⁹ Forced arbitration means that workers have no viable means for challenging systemic practices, such as their classification as independent contractors or the black-box algorithms that determine pay and degrade their working conditions. Instead, they are forced to bring their claims in closed-door, individual proceedings, and any judgments they get do not set precedential law that the corporations have to follow. Workers are kept in a legal no-man's land—deemed by the corporations to have no employment protections and deemed to have contracted away their right to legally challenge their lack of employment protections.⁷⁰



BAMBOOZLE:

Bamboozle: Mislead and confuse communities, workers, and elected officials to shape public narratives and build progressive public images.

Tactic #1 - Mobilize and deploy narrow concepts of racial justice.



As a key part of its strategy, Uber has appropriated benevolent discourses of racial justice, promising to “weave equity into the way the world moves,”⁷¹ while pushing for labor and economic policies that have had devastating consequences for communities of color.⁷² The corporation pairs this rhetorical strategy with partnerships with some racial justice or identity-based organizations that can provide a sheen of authenticity to the corporation’s claims.

Last year in Connecticut, Uber testified against a driver minimum wage bill, warning that the legislation would “pose a unique threat to riders of color.”⁷³ The corporation’s spokespeople— representing the interests of shareholders— explaining to a group of predominantly Black, brown, and immigrant workers why their demands for a living wage would undermine racial equity struck many as ridiculous.

In their battles against labor standards and accountability, app corporations have routinely enlisted third-party validators to defend their positions on racial justice grounds. At the height of a major 2018 battle between Uber and New York City regulators, Uber hired Spike Lee to produce a series of short films celebrating what Lee described as “the Brooklyn hustle” of Uber



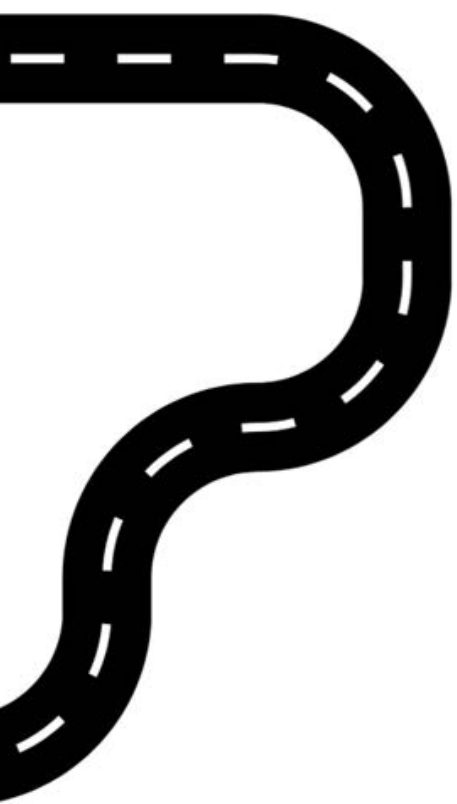
drivers.⁷⁴ Organizations that serve communities of color received donations from app corporations, including Uber, Lyft, and DoorDash, and then wrote a slew of op-eds on the theme of “protecting” independent app-based work in Colorado, Massachusetts, New Jersey, and New York.⁷⁵

During the 2020 struggle over Proposition 22 in California, Uber and Lyft mobilized various racial and social justice organizations, including NAACP chapters, to pen a joint letter to the state legislature in support of the ballot measure stripping drivers of critical work-related protections.⁷⁶ Subsequently, it was revealed that Uber’s and Lyft’s “Yes on 22” campaign had paid the consulting firm of Alice Huffman, the then-president of California’s NAACP, \$85,000 for “campaign consultants” services.⁷⁷ Taisha Brown, then-chair of the California Democratic Party’s Black Caucus, stated: “To use a historically Black organization that is meant for the betterment of Black people was just appalling.”⁷⁸

Uber has also promised that its app-based dispatch services have solved the problem of “hailing while Black,”⁷⁹ even though a 2016 study found that Uber drivers in Boston were more than twice as likely to cancel rides for male passengers with African-American sounding names than other men, while Black passengers in Seattle faced longer wait times—as much as 35 percent—than white passengers.⁸⁰ A 2020 analysis of more than 100 million rides in Chicago found that Uber and Lyft riders going to and from low-income and non-white neighborhoods are significantly more likely to pay higher prices due to societal bias built into the decision-making algorithm that drives ridehail pricing.⁸¹

Even more troublingly, Uber’s individualized wage-setting practices have the potential to exacerbate racial inequities.⁸² As Uber’s CEO admitted in a recent earnings call, Uber is offering “different trips to different drivers based on their preferences or based on behavioral patterns” and “offering the right trip at the right price to the right driver.”⁸³ Because workers have very few legal protections in the face of these increasingly powerful, algorithmically-driven pay systems, “the possibility remains,” in Dubal’s words, that on-demand companies can use “algorithmic wage discrimination to offer vulnerable workers lower wages based on their willingness to accept work at lower prices,” deepening racial and economic inequality.⁸⁴

More recently, through the corporate lobby group Flex Association, several app corporations, including Uber, Lyft, DoorDash, and Grubhub, released a Black communities impact report, which argues that app-based work is the

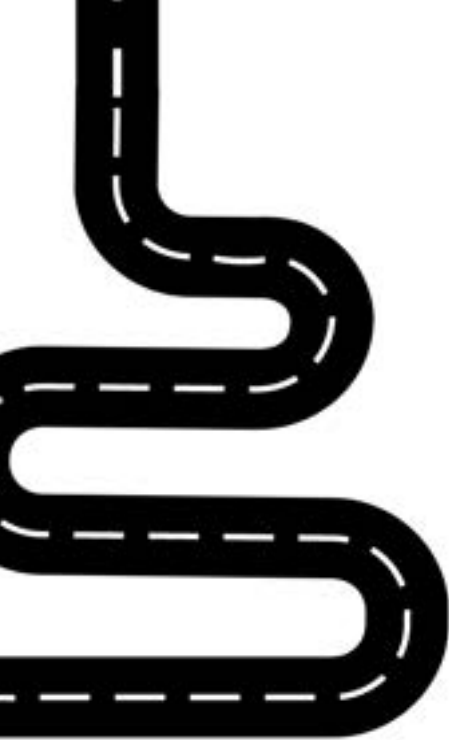


answer to the racist barriers to jobs and wealth creation that Black communities face.⁸⁵ Instead of addressing racial inequities by improving the poor working conditions of their predominantly people of color workforce, the app corporations “have used the existence of such inequalities as a resource to justify and legalize their business model.”⁸⁶

Tactic #2 - Redefine flexible and independent work as gamefied and controlled app-based work.

The app corporations have cynically co-opted the idea of flexible and independent work, pointing to workers’ ability to sign on and off the app at will,⁸⁷ even though work on the app is monitored, mediated, supervised, and carefully managed by behavioral nudges that allow the corporations to shape workers’ behavior.⁸⁸ This redefinition also ignores the ways these corporations control key aspects of the work, including what assignments workers are offered and what they are paid, as well as how they monitor work performance with surveillance tools that track minute details, such as a driver’s acceleration and braking.⁸⁹

This perverse definition of independence and flexibility is the app corporations’ superficial solution to the serious work/life balance struggles that so many working people face.⁹⁰ It is a vision of flexibility divorced from economic security—the “flexibility” to work when and how much a person chooses only if that person is not dependent on the job for their livelihood. As one driver put it, “When you have to work over 50 hours a week to make ends meet, when you have to weigh every hour that you don’t work against the lost income, when you are one accident or illness away from financial ruin, flexibility and independence mean nothing.”⁹¹



Tactic #3 - Misrepresent the meaning of worker classification.

Using buzz words like “flexibility,” “independence,” and “freedom” to describe app-based work, the app corporations argue that their “innovative” business models don’t mesh with “outdated” and “one-size-fits all” employment laws, like the Fair Labor Standards Act (which establishes the federal minimum wage and overtime pay rights) or states’ minimum wage laws.⁹² They also claim that app-based workers can’t have scheduling flexibility and employment-based rights and protections, despite the fact that some digital labor platforms provide both.⁹³ In reality, many employees—including employees who get work assignments through apps—have scheduling flexibility and the ability to work part-time, and perform their jobs with little or no real-time supervision.⁹⁴

The corporations also claim that workers want to be independent contractors, as a legal matter, not employees, citing surveys that they funded and/or that phrase the issues in ways most favorable to them.⁹⁵ On the other hand, polls that explain that scheduling flexibility is not legally tied to whether someone is an independent contractor or an employee, or that ask whether app-based workers should have particular employment-based rights or benefits and whether app-based companies should be responsible for providing these rights and benefits generally show that workers have higher favorability for employment status.⁹⁶

Tellingly, many app-based drivers say that the corporations don’t actually treat them as independent contractors running their own businesses. In an informal poll conducted on the website of the media channel “The Rideshare Guy,” some 70 percent of ridehail drivers said that they did not think they were “true independent contractors.”⁹⁷



Tactic #4 - Promote policies that compromise workers' rights and enshrine a second-class status for app-based workers.

In recent years, a central organizing demand of ridehail and delivery workers across the country has been the establishment of minimum pay standards equal to at least the locality's minimum wage. To defeat these proposals, app corporations have proposed wage standards that sound reasonable at first glance, but do not compensate drivers for all time worked or result in a fair wage after expenses.

For example, California's Prop 22—and now similar corporate ballot initiatives pending in Massachusetts—set a minimum pay standard described as 120 percent of the state minimum wage for ridehail drivers and delivery workers.⁹⁸ But this pay standard only compensates workers for “engaged time,” which excludes the waiting time in between assignments, which is estimated to be a third of total work time and would be compensable if these workers were employees.⁹⁹ As a result, studies have found that Prop 22's minimum pay standard is actually only about \$5 an hour, after expenses and all working time are accounted for.¹⁰⁰

In Canada, Uber has claimed that drivers in Toronto earned an average of \$33.35 per “engaged hour,” and is advocating for legislation that would adopt a minimum pay standard described as 120 percent of the local minimum wage for “engaged time.”¹⁰¹ A recent report by RideFairTO, an organization that advocates for fair regulations to protect drivers, found that the real average wage for ridehail drivers is \$6.37 after expenses and all time worked are factored in—well below Ontario's \$16.55 minimum wage.¹⁰²

More recently, the corporations have been touting a different, but similarly flawed, pay standard as a model. In December 2023, as part of a wage theft settlement with the New York Attorney General, Uber and Lyft agreed to \$328 million in backpay, as well as a minimum wage of \$26 per engaged hour for ridehail drivers outside of New York City (since the city already has its own, much better pay standard).¹⁰³ However, according to James Parrott, the Director of Economic and Fiscal Policies at the New School, because the \$26 hourly wage does not include all time worked or the significant expenses drivers incur, the after-expenses hourly pay is between \$4 and \$8, far less than the \$16 minimum wage that applies to New York City and suburban

workers or the \$15 minimum wage for upstate workers.¹⁰⁴ Five app-based driver organizations published a statement opposing the “deceptive NY pay floor” because it “mimics the sub-minimum wage standard established in California” under Prop 22.¹⁰⁵

The app corporations have similarly coopted the laudable notion of portable benefits even though their “portable benefits” proposals are far stingier than the rights and benefits available to employees, which include portable benefits like employer-funded Social Security and unemployment insurance.¹⁰⁶ In Massachusetts, for example, a recently introduced bill would allow app-based delivery workers to set up “portable benefits” tax-exempt savings accounts, with meager contributions from the companies, that could be put towards retirement savings, healthcare costs, or compensating drivers’ lost time due to illness or other specified times off from work.¹⁰⁷ The bill would also enshrine the workers’ classification as independent contractors, meaning they would be permanently excluded from Massachusetts’ benefits for employees, which include paid sick leave, paid family and medical leave, unemployment insurance, and workers’ compensation, and are far more generous than the substitute benefits structure proposed in the bill.¹⁰⁸ Also in Massachusetts, the app corporations are sponsoring *five* Prop 22-like ballot initiatives for the 2024 election cycle, each of which would classify app-based ridehail and delivery drivers as independent contractors and deny them all employment-based rights and benefits under state law.¹⁰⁹

Finally, as members of the corporate lobby group Coalition for Workforce Innovation, Uber, Lyft, and Shipt backed the Worker Flexibility and Choice Act, a cartoonishly anti-worker House bill introduced in 2022 that would allow corporations to require workers to sign away basic rights and protections—including the right to minimum wage, overtime, and unemployment insurance benefits—as a condition of work.¹¹⁰ In return, workers would get a modicum of flexibility—the “right” to reject shifts or assignments offered to them, but not the right to actually set their work schedule. These efforts reveal that app corporations are linking arms with traditional employers to turn stable and secure employment into insecure “gig” work.



A Larger Pattern: The Fight for Democracy

Since app corporations first came onto the scene, they have been working to buy, bully, and bamboozle their way into community control, trying to pit drivers against passengers and elected officials, keeping them from working together. But app-based ridehail and delivery workers have been resisting this division, organizing alongside community members to improve working conditions. They have pulled back the curtain on the exploitative labor practices built into app corporations' business models and focused the conversation on what the working people central to these businesses need and deserve. These movements have also advanced—and in some cases successfully enacted—policies that have improved labor standards and imposed accountability on the corporations.

These efforts have grown significantly in the past few years, as workers have relied less on existing labor and employment law—in large part because the companies have repeatedly been able to use mandatory arbitration clauses to throw legal challenges out of court—and have turned increasingly toward state and municipal legislation.

The playbook described in this report is part of a larger trend of corporations increasingly interfering in democracy to maintain power and maximize profit for their wealthy investors at the expense of the communities they claim to serve. Our research has also shown that corporations across a wide variety of industries are buying, bullying, and bamboozling their way into state and local governments using some of the same tactics, such as wielding preemption law as a tool for banning local communities from setting their own standards.¹¹¹ And we also find that when app corporations are allowed to dominate the provision of essential services in our cities, they can leverage that into additional nefarious tactics to hold communities and workers back.

Because of app-based worker organizing, communities are starting to see through the corporate bamboozling of companies like Uber and Lyft, resist their bullying tactics, and demand their lawmakers prioritize the interests of community members over corporations. In states like Colorado, Connecticut, Illinois, Massachusetts, Minnesota, New York, and Washington, drivers and delivery workers have been demanding lawmakers pass policies that set minimum pay standards, require the app corporations to be transparent about the terms and conditions of work, and prohibit unfair “deactivations”—suspending or terminating a worker from the app without notice or justification. Detailed descriptions of some of these worker organizations and their achievements can be found in the appendix of this report. They have built worker-led movements with few resources and shoestring budgets and challenged the corporate narrative on app-based work.

By coming together to build power at the local level, exposing the corporations trying to silence community voices, and challenging lawmakers to prioritize people over corporations, drivers and communities across the country are on the leading edge of the fight for democracy.

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Appendix

Workers Leading the Fight

Around the country, drivers and delivery workers are organizing to win better working conditions for their families and communities. In the face of corporate opposition, they are leading campaigns to pass critical minimum labor standards—like a meaningful wage floor, basic benefits, transparency about the terms and conditions of their work, and protections from unfair disciplinary actions like “deactivations”—to impose accountability on the app-based companies for their labor practices, and to ensure all drivers and delivery workers have a voice on the job.



The **California Gig Workers Union** (SEIU) is a collective voice of tens of thousands of Californians who work for gig economy corporations like Uber, Lyft, DoorDash, Instacart, and others. Workers are organizing a union in California to win fair wages, increased flexibility, health benefits, and basic worker protections — which gig companies and others have spent millions of dollars to deny them.



In Chicago, the **Chicago Gig Alliance**, a project of the People’s Lobby Education Institute, has been organizing app-based workers across the Greater Chicago area since 2019. Over the last several years, the Gig Alliance has organized a series of major worker-led actions and events in support of drivers’ rights, including demonstrating at the Uber Hub, O’Hare and Midway airports, and Chicago City Hall to protest the unacceptable number of driver fatalities and unfair deactivations (firings), and to demand fair wages. In 2022, they advocated for the introduction of the FairShare Ordinance in the City Council, which would establish a robust wage floor for drivers, improve safety conditions in the industry, and protect drivers from unfair deactivations. Currently drivers are pushing for passage of the ordinance, which has gained the support of 30 out of 50 Chicago Aldermen and was part of progressive Mayor Brandon Johnson’s campaign platform.



In Colorado, **Colorado Independent Drivers United (CIDU)** formed to unite ridehail, delivery, taxi, and limousine drivers in a collective demand for fair pay, health and safety protections, transparency about the algorithms that set and control many of their working conditions, and a voice in the development and regulation of the autonomous vehicle market. In affiliation with Communication Workers of America (CWA) Local 7777, CIDU has since built a large and well-organized base of drivers across the state. Over the last two years, CIDU has spearheaded a legislative campaign in Colorado to pass transparency and deactivation protection bills for app-based workers. Among other things, the policies would require companies to disclose to both drivers and consumers critical information, including the “take rate” (the percentage of each fare that goes to the company rather than the driver), and how ridehail and delivery companies are collecting and using worker and consumer data. With the support of organized and motivated workers, CIDU is continuing to fight for basic transparency for Colorado drivers.



In Connecticut, **Connecticut Drivers United (CDU)** formed in 2020 to unite app-based drivers around demands for fair pay and benefits. After years of committed organizing, CDU represents a broad and diverse coalition of ridehail and delivery drivers from every corner of Connecticut and is run by worker-leaders from immigrant backgrounds with a vision of making app-based work good jobs. Recently, CDU has been the force behind a state bill that would have created a minimum pay standard for ridehail and food delivery drivers, capped skyrocketing company take rates by guaranteeing that drivers receive 80% of each customer fare, and established basic transparency measures so that drivers and customers alike can understand how each trip is priced. CDU is continuing to organize and support thousands of drivers across the state of Connecticut and is pushing a legislative campaign in Hartford this year once again.



DMV Drivers Alliance, formerly known as the ACE Collaborative Drivers Group, started organizing app-based drivers in the DC-Maryland-Virginia area in 2023. Supported by New Virginia Majority, the DMV Drivers Alliance engaged with various state officials in the Virginia General Assembly to submit a pay transparency bill for gig drivers (HB924) in the first quarter of 2024. The bill would have forced transportation network companies like Uber and Lyft to disclose to the driver the percentage of the total fare that they received from each completed trip. Republican Governor Glenn Youngkin vetoed the bill at the end of the 2024 session.



Massachusetts rideshare drivers with the **Drivers Demand Justice** coalition, including SEIU Local 32BJ, the International Association of Machinists, the Chinese Progressive Association, the True Alliance Center, the Merrimack Valley Project, the Massachusetts Budget and Policy Center, the Union of Minority Neighborhoods, and Latinos Unidos en Massachusetts are championing legislation that would provide a path for 30,000 rideshare drivers to form a union.



In Washington State, the **Drivers Union** has helped secure important driver protections at the state level, enacting the first statewide pay floor in the country, along with paid sick leave, unemployment benefits, access to workers' compensation benefits, and access to paid family and medical leave. Drivers in Washington also now have just cause protection against unwarranted deactivations. The Drivers Union's current focus is its 4-Way Stop Campaign, aiming to deliver on drivers' most pressing issues: stopping high corporate commissions, overcharging riders, flooding the streets with too many drivers, and unsafe working conditions.



Gig Workers Rising (GWR) is a worker-led campaign of Working Partnerships USA that empowers app-based workers to fight for better wages, working conditions, respect, and safety on the job. Since 2014, GWR has been organizing and empowering drivers and delivery workers across the San Francisco Bay Area who were a driving force behind the opposition to Prop 22 and who have been fierce advocates for shareholder action. Gig Workers Rising continues to push app-corporations to publicly address unfair deactivation, prioritize driver safety, and ensure fair pay and transparency.



In New York City, **Los Deliveristas Unidos (LDU)** is an organization of largely immigrant, e-bike-based food delivery workers agitating for better conditions in New York's large and growing app-based delivery economy. The group was formed during the pandemic as a project of Queens worker center, Worker Justice Project, after a spate of fatal accidents, assaults, and bike thefts, and was focused primarily on winning safer working conditions for its members. In 2021, LDU successfully pushed a legislative package through the New York City Council that, among other things, required a city agency to establish an hourly minimum pay standard for delivery workers in the city. The pay standard, which went into effect in December 2023, guarantees food delivery workers an hourly base wage of \$17.96 an hour (set to increase to \$19.96 an hour by 2025), and is a landmark achievement won through many years of hard work and committed organizing.



In Minnesota, the **Minnesota Uber/Lyft Driver Association (MULDA)** is an association of app-based drivers that is organizing for fair wages and benefits, protections from unfair deactivations, and the right to collectively bargain. Founded by a group of East African drivers in the Twin Cities metro area, MULDA now represents a diverse network of drivers from across Minnesota and is the force behind dual legislative campaigns at the Minnesota state house and at the municipal level in Minneapolis. The campaign is focused on the issues most critical to drivers: a minimum pay standard, transparency rights, and deactivation protections. In 2024, thanks to MULDA's fearless advocacy, the Minneapolis city council passed a robust minimum pay standard for app-based drivers, despite staunch opposition from Uber and Lyft.



In New York City, the **New York Taxi Workers Alliance (NYTWA)** was formed during the late 1990s to represent the interests of the city's large workforce of taxi drivers, one of the most visible yet vulnerable immigrant workforces in New York. Over more than a decade of advocacy, NYTWA fought for a better regulatory regime, securing a livable income raise for drivers in 2012, along with caps on vehicle leasing rates. When taxi drivers saw the value of their taxi medallions collapse after Uber entered the market, NYTWA's tireless advocacy on behalf of taxi drivers forced the city to cut a deal to write down the debt, ensuring drivers would not risk losing their homes if they defaulted.

Over the last 10 years, NYTWA has built a membership of 28,000 yellow cab, green car, black car, and app-based drivers. As Uber and its affiliates have sought to divide drivers, NYTWA has brought them together under one union to fight for a shared vision of worker power. In the last few years, NYTWA established the right of ridehail drivers to regular unemployment insurance in New York, won a city-wide ridehail driver minimum pay standard—ensuring drivers earn a living wage for all time worked, after accounting for expenses—and most recently won a \$328 million settlement for a years-long wage theft scheme by Uber and Lyft.



In California, **Rideshare Drivers United (RDU)** was founded in 2018 by a group of LA-based Uber and Lyft drivers to protest worsening conditions and demand worker-led change. In 2019, RDU organized two major actions—one of which took place right before Uber's IPO, inspiring similar driver actions around the world—and engaged with state legislators to pass AB5. During the subsequent political fight over Prop 22, RDU's driver-organizers campaigned against the company-bankrolled ballot initiative, calling over a million

California voters to explain why it would harm drivers. In recent years, RDU has played a critical role in helping nascent driver organizations elsewhere in the country get off the ground, including by providing organizing software and institutional capacity, and has formed a “Deactivation Clinic” with UC Irvine Law School to appeal wrongful driver terminations. RDU has also educated drivers about their right to opt out of mandatory arbitration clauses in the company’s terms of service that prevent drivers from vindicating their labor rights in court. Six years after its founding, RDU has 20,000 driver members and three chapters—in LA, San Diego, and the Bay Area.

In Seattle, **Working Washington**, a worker center with a history of organizing workers in underpaid industries like fast food and retail and winning minimum wage and paid leave campaigns in Seattle, has been organizing app-based workers through its “PayUp” campaign. Thanks to this campaign, the City of Seattle now has the most comprehensive system of app-based worker protections in the country, including a robust pay standard, paid sick time, right to transparency about the terms and conditions of assignments, and protection from termination. Alongside New York, Seattle continues to set the pace for what successful regulation of app-based companies looks like, and continues to prove that app-based workers can enjoy flexibility at work while receiving fair wages and basic employment protections.



Endnotes

¹ Support for all statements made in this executive summary can be found in the body of this report.

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³ Jeremy B. White, [Gig Companies Break \\$200 Mil Barrier in California Ballot Fight](#), Politico, Oct. 29 2020.

⁴ Uber, Lyft, Instacart, and DoorDash are all funding the Massachusetts ballot initiatives. Since Prop 22 passed in 2020, Postmates was acquired by Uber. See Matt Stout, [Uber and Allies Pump \\$7 Million into Potential Rideshare Ballot Question this Fall](#), Boston Globe, Jan 22, 2024; Chris Lisinski, [Worker Groups Ask Judge to Block App-Based Driver Ballot Question](#), WBUR, Feb. 1, 2024.

⁵ See, e.g., Lauren Kaori Gurley, [Uber, Lyft Drivers to Strike on Valentine's Day Over Pay](#), Washington Post, Feb. 14, 2014; Cathy Wurzer & Lindsey Stewart, [Uber, Lyft Drivers Begin One-Day Strike in Twin Cities](#), MPR News, Jan. 11, 2014; Jim Vasil, [Delivery Workers in NYC Rally for \\$30 an Hour Minimum Wage](#), PIX11, Oct. 27, 2012.

⁶ “It was dire economic straits that gave birth to the gig economy in the first place. Uber and Lyft sprang from the 2008 financial crisis—a time when many people were willing to accept that any work was better than none at all.” Joshua Brustein, [The Gig Economy Was Built to Thrive in a Downturn—Just Not This One](#), Bloomberg, May 6, 2020.

⁷ Smith, *Uber State Interference*, supra note 1.

⁸ See Kevin Roose, [Farewell, Millennial Lifestyle Subsidy](#), N.Y. Times, Jun. 8, 2021 (explaining how corporations like Uber and Lyft used investor capital to “establish a dominant market position, elbow out competitors and justify their soaring valuations” with artificially low prices); Shirin Ghaffary, [The Uber Strike Shows How Drivers Remain One of the Company's Biggest Liabilities](#), Vox, May 7, 2019 (noting that Uber “admitted to having lowered the fares and bonuses for drivers in order to remain competitive in certain markets” and it expected “driver dissatisfaction will generally increase”).

⁹ Smith, *Uber State Interference*, supra note 1.

¹⁰ [Driver Pay](#), NYC Taxi & Limousine Commission, last accessed Apr. 1, 2024 (noting that minimum pay standard for High-Volume For-Hire Services went into effect on February 1, 2019).

¹¹ Shirin Ghaffary, [Driver Strikes Didn't Break Uber – But They Showed Gig Economy Workers Are Mad](#), Vox, May 8, 2019.

¹² [Independent Contractor Versus Employee](#), California Dep't of Industrial Relations, last accessed Apr. 1, 2024 (noting that AB5, which went into effect on Jan 1, 2020, established a new test for determining whether someone is an employee or independent contractor under California's labor code unemployment insurance code, and Industrial Welfare Commission (IWC) wage orders); Brian Chen, [A New California Law Signals a New Beginning for Contract Workers](#), National Employment Law Project, Dec. 31, 2019.

¹³ Sara Ashley O'Brien, [The Pandemic Boosted Food Delivery Companies. Soon They May Face a Reality Check](#), CNN Business, Dec. 6, 2020 (during the pandemic, "delivery services saw skyrocketing demand. Uber leaned on its Eats business as its core rides business plummeted. The valuations of Instacart and DoorDash soared...").

¹⁴ Kate Conger, Adam Satariano & Mike Isaac, [Pandemic Erodes Gig Economy Work](#), N.Y. Times, March 18, 2020.

¹⁵ For example, a survey of 500 California drivers found that only 10 percent were receiving a health insurance stipend that was one of Prop. 22's promised benefits. 40 percent of respondents either never heard about the healthcare stipend or weren't sure if they had received notification. 16 percent of respondents were uninsured – nearly double the national uninsurance rate. Eliza McCullough & Brian Dolber, [Most California Rideshare Drivers are not Getting Health-Care Benefits Under Proposition 22](#), National Equity Atlas, last accessed Apr. 1, 2024.

¹⁶ Michael Sainato, ['I Can't Keep Doing This': Gig Workers Say Pay Has Fallen After California's Prop 22](#), Guardian, Feb. 18, 2021.

¹⁷ Eve Batey, [That Price Hike Delivery Apps Threatened If Prop 22 Failed? It's Happening Anyway](#), Eater San Francisco, Dec. 15, 2020.

¹⁸ Plouffe and Messina "advised Uber in places where it faced the toughest resistance, at times infusing an aura of legitimacy around a company that was known for openly flouting regulations and laws." Stephanie Kirchgaessner, Felicity Lawrence & Johana Bhuiyan, [The Uber Campaign: How Ex-Obama Aides Helped Sell Firm to World](#), The Guardian, July 10, 2022; Faiz Siddiqui & Nitasha Tikku, [Uber and Lyft Used Sneaky Tactics to Avoid Making Drivers Employees in California, Voters Say. Now, They're Going National](#), Washington Post, Nov. 17, 2020.

¹⁹ For example, an Uber executive— who previously worked in NYC for a Democratic elected official and a labor union – "roam[ed] the halls of the New York State Capitol bearing a 44-page sheaf of news clips that, he says, augurs the misery that will envelop New York should legislators grant gig economy workers 'employee' status like California has." Dana Rubenstein, Katherin Landergan & Anna Gronewold, [California Narrative Casts a Pall Over East Coast Efforts to Elevate Gig Economy Workers](#), Politico, Mar. 2, 2020. The Uber executive's work history is in his [Twitter bio](#) as of March 29, 2024. "Gig economy employers are sponsoring front groups, funding super PACs, and cultivating Democratic Party ties to stop workers from winning labor protections." Rob Galbraith, [How Uber and Lyft are Preparing to Block Labor Rights for Gig Economy Workers in New York and Around the Country](#), Public Accountability Initiative, Dec. 1, 2020. The impact of these efforts will likely only be magnified by what has been described by the media as a "massive cash infusion" into the 2024 election cycle, including, forming "one of, if not the largest, single-funded state PACs this election cycle" and increasing amounts at the state and local level, "as the company works to flex its muscle in statehouses across the U.S." Christopher Cadelago, [Uber to Counter California's Labor Muscle with \\$30M Political Spend](#), Politico, Jan. 24, 2024.

²⁰ Jessica Lee, [Unionize Uber? Legal Fight Over Seattle Drivers Draws National Attention](#), Seattle Times, Mar. 29, 2017. Drive Forward has confirmed Uber's role in its founding as an advertiser in the Seattle Times. <https://www.seattletimes.com/advertiser/drive-forward/>, accessed April 17, 2024. Drive Forward's first sponsored post on the Seattle Times website was an anti-union advertorial on November 17, 2016. Its earliest social media posts to x.com and YouTube also shared anti-union views.

²¹ Drive Forward Seattle, ["About Us" page](#), last accessed Apr. 1, 2024.

²² [Uber U.S. Political Engagement Report](#), 2022, at p. 17.

²³ [Drive Forward 2022 Form 990 filing \(most recent available\)](#), ProPublica Nonprofit Explorer, last accessed Apr. 1, 2024. Drive Forward Board President [Brooke Steger](#) was an Uber manager for more than 5 years (including at the time of the founding of Drive Forward); Secretary Allison Ford is a [public policy manager](#) with Uber; Adria Stoliar was the [Senior Manager](#)

[of Public Engagement](#) for DoorDash until recently (including while she has been on the board); Treasurer Caleb Weaver was a [leader on the public affairs](#) team at Uber until recently.

²⁴ [David Plouffe Remarks on Creation of Independent Drivers Guild](#), Uber Newsroom, May 10, 2016.

²⁵ Noam Scheiber, [Uber Has a Union of Sorts, but Faces Doubts on Its Autonomy](#), N.Y. Times, May 12, 2017.

²⁶ Chris Isadore, [Union to Represent 35,000 Uber Drivers in New York City](#), But With Limits, CNN, May 11, 2017. Byran Menegus, [New York's Rideshare Organizers Clash Amid Unprecedented Uber Strike](#), Gizmodo, May 8, 2019.

²⁷ Nicole Garcia, [Uber- and Lyft-Backed Group Launches New Effort to Officially Make Drivers' 'Contractors' on 2024 Ballot](#), GBH News, Aug. 2, 2023; Jackie Davalos & Josh Eidelson, [Uber-Backed Group to Reboot Gig-Worker Ballot Initiative in Massachusetts](#), Bloomberg, July 31, 2023.

²⁸ [How the 'Coalition for Workforce Innovation' is Putting Workers' Rights at Risk](#), NELP, at p. 31, Jul. 2022.

²⁹ National Labor Relations Act § 8(a)(2) [codified at 29 U.S.C. § 158(a)(2)].

³⁰ On its website, the CWI says that "outdated workplace and labor laws restrict innovative working relationships and hamper economic opportunities." [Coalition for Workforce Innovation website](#), last accessed Apr. 1, 2024.

³¹ How the 'Coalition for Workforce Innovation' is Putting Workers' Rights at Risk, supra note 28.

³² Tony Romm, [Businesses Escalate Fight Against Biden Rule on Gig Worker Pay](#), Washington Post, Mar. 5, 2024.

³³ The current members of Flex Association are Uber, Lyft, DoorDash, Instacart, Grubhub, Shipt and HopSkipDrive. [Flex Association website](#) (last visited April 1, 2024).

³⁴ Karl Evers-Hillstrom, [Gig Companies Launch Lobbying Group to Counter PRO Act Push](#), The Hill, Mar. 8, 2022.

³⁵ Rob Galbraith, [How Uber and Lyft Are Preparing to Block Labor Rights for Gig Economy Workers in New York and Around the Country](#), Public Accountability Initiative (Dec. 2020).

³⁶ The website for Flexibility & Benefits for Massachusetts Drivers indicates it is primarily funded by DoorDash, Lyft, Instacart and Uber. <https://yesformassdrivers.org/>. Chris Van Buskirk, [Millions from Out-of-State Fund Massachusetts Ballot Measures](#), Boston Herald, Mar 1, 2024 (noting that Uber, Lyft, DoorDash and Instacart collectively donated over \$6 million to the ballot question committee).

³⁷ Alexia Fernandez Campbell, [New York City Passes Nation's First Minimum Pay Rate for Uber and Lyft Drivers](#), Vox, Dec 5, 2018.

³⁸ [Uber Petition to Seattle City Council Members](#), Mar. 30, 2018; Daniel DeMay, [Seattle Council Aims to Hike Uber, Lyft Fares to Improve Wages](#), Seattle PI, Apr. 9, 2018.

³⁹ Trip volume in New York City increased at a slightly slower rate than previously, but that growth slowdown was also experienced in Chicago, which had no pay standard, suggesting that it had more to do with general market conditions than with any NYC-specific regulatory change. Dmitri Koustas, James Parrott, & Michael Reich, [New York City's Gig Driver Pay Standard: Effects on Drivers, Passengers, and the Companies](#), Center for NYC Affairs (Dec. 2020).

- ⁴⁰ [Uber Takes Us For a Ride: Data Shows Uber Cries Wolf About Driver Pay, While Jacking Up Fares and Paying Off Wall St](#), PowerSwitch Action, Mar. 2024.
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- ⁹⁰ For example, Uber's founding CEO said that Uber offers the flexibility and independence "to visit an elderly parent, go to a job interview or tend to family emergencies without asking for permission beforehand." <https://medium.com/uber-under-the-hood/the-future-of-work-independence-and-flexibility-95e032cfec15>.
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⁹³ See, e.g., Lauren Hilgers, [When Your Boss is an App](#), N.Y. Times Magazine (Apr. 13, 2023) (describing Gale Healthcare, a nurse staffing agency that uses a digital labor platform to connect nurses to work opportunities and classifies the nurses as employees so they “maintain[] a floor of labor protections”); Kellen Browning, [A Start-up’s Alternative to Uber: Employing its own Drivers](#), N.Y. Times (Oct. 5, 2023) (describing ride hail company Alto, which “promotes itself as a safer, higher-quality version of Uber or Lyft, with drivers who are thoroughly vetted, employed by the company and paid hourly”).

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⁹⁵ See, e.g., Global Strategies Group, [Independent Contractor Classification Survey Findings](#), Aug. 19, 2020 (reporting results of a poll funded by Lyft that found most independent contractors want to stay that way); Flex Association press release, [New Morning Consult Poll Shows 77% of App-Based Workers Prefer to Remain Independent Contractors](#), Oct. 24, 2022 (describing results from survey of app-based workers conducted on behalf of a lobbying group founded by Uber, Lyft, DoorDash and Instacart); Uber Newsroom, [Independent Bipartisan Poll Finds Drivers & Voters Overwhelmingly Support Giving Gig Workers New Benefits & Protections](#) (describing an Uber-funded poll conducted by two consultant firms finding drivers and voters support “Uber’s new Independent Contractor plan” that allows drivers to maintain “flexibility and freedom” with access to benefits).

⁹⁶ For example, a recent Data for Progress poll commissioned by NELP asked respondents if they would prefer a job as an employee or as an independent contractor if both offered equal levels of flexibility, and over 60 percent of respondents said they would prefer to work as an employee. The same poll asked whether app corporations should be making the employer contribution to Social Security and Medicare for each app-based worker (which would mean their workers are employees under these laws), and an overwhelming majority of respondents said yes. See Data for Progress, [Poll of 740 likely voters in New York from March 14 - 24, 2023](#), Question 18, Mar. 2023.

⁹⁷ Poll results on file with the authors.

⁹⁸ See Camiel Irving & Sarfraz Maredia, [Prop 22: Improving the Lives of California Drivers and Couriers](#), Uber Newsroom, Dec. 8, 2022; Nate Raymond, [Dueling Massachusetts Gig Worker Ballot Measures Clear Key Hurdle](#), Reuters, Sep. 6, 2023.

⁹⁹ Ken Jacobs & Michael Reich, [The Uber/Lyft Ballot Initiative Guarantees Only \\$5.64 an Hour](#), U.C. Berkeley Labor Center, Oct. 31, 2019.

¹⁰⁰ See Id. (finding that Prop. 22 set a wage floor of only **\$5.64 an hour**) (note: this figure is based on the 2021 minimum wage of \$13 per hour; the math is slightly different now that CA minimum wage is \$15.50). Another study found that the wage floor was even lower, at just **\$4.10 per hour**. See Eliza McCullough, Brian Dolver et al., [Prop 22 Depresses Wags and Deepens Inequities for California Workers](#), National Equity Atlas, Sep. 21, 2022.

¹⁰¹ Sara Jabakhanji, [Toronto Ride-Share, Food Delivery Drivers Strike, Calling for More Fair Pay, Better Work Conditions](#), CBC News, Feb. 14, 2024.

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¹⁰³ [Press Release: Attorney General James Secures \\$328 Million from Uber and Lyft for Taking Earnings from Drivers](#), Office of the New York State Attorney General, Nov. 2, 2023.

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¹⁰⁷ See Massachusetts House Bill No. 961, An Act Establishing Portable Benefit Accounts for App-Based-Delivery Drivers (2023). This bill would establish a system of inferior benefits based on only a fraction of the time that app-based delivery drivers work, and would provide company contributions for all benefits equal to only about four percent of a worker’s earnings.

¹⁰⁸ Id. For a further discussion of the problems of company-sponsored “portable benefits” legislation, see [NELP Urges Caution on Portable Benefits Pilot Program Legislation](#), NELP, May, 25, 2023.

¹⁰⁹ See Matt Stout, [Uber and Allies Pump \\$7 Million into Potential Rideshare Ballot Question This Fall](#), Boston Globe, Jan. 22, 2024. Some also contain the familiar bait and switch: the corporations will provide a written contract to their workers that includes a set of limited “benefits”, which are inferior to the minimum wage, sick leave, workers’ compensation, health insurance, and anti-discrimination protections and benefits guaranteed to Massachusetts employees.

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