



## **QUESTIONS & ANSWERS ABOUT THE *PROTECT APP-BASED DRIVERS AND SERVICES ACT***

### **What is the *Protect App-Based Drivers & Services Act*?**

The *Protect App-Based Drivers & Services Act* is a statewide ballot measure aimed for the November 2020 California ballot. The ballot measure would:

- Protect the right of app-based rideshare and delivery drivers to choose flexible work as independent contractors and maintain control over their own hours and when, where, how long they work, and the ability to work with multiple companies
- Improve the quality of on-demand work by establishing historic new earnings and benefit guarantees
- Impose strong consumer and public safety protections
- Protect the availability of app-based rideshare and delivery services for consumers that millions of Californians rely on every day

### **Why is this ballot measure needed?**

The state courts recently issued a ruling (known as the Dynamex decision) and the state Legislature recently passed a law (Assembly Bill 5) that could threaten the freedom of Californians to earn income when, where and how they want as independent contractors and access work on app-based rideshare and delivery network platforms.

In survey after survey and discussions with thousands of on-demand drivers, these workers say they overwhelmingly value independence and want to maintain the flexibility they enjoy today. Struggling with our state's high cost of living, seniors, students, working parents and many others rely on app-based platforms that facilitate rideshare and delivery services to earn extra money on a flexible schedule. Many of these individuals turned to on-demand work because traditional employment did not fit the needs of their lives.

The new law could take this flexibility away – potentially eliminating hundreds of thousands of work opportunities and forcing app-based drivers into rigid employment schedules whether they prefer it or not.

Furthermore, if rideshare and delivery drivers are forced to be classified as employees with set shifts, it could significantly limit the availability and affordability of these on-demand services that benefit consumers, small businesses and our economy.

## How will drivers benefit from this ballot measure?

The ballot measure would protect the right of app-based rideshare and delivery drivers to work as independent contractors and maintain control over their own hours and when, where, how long they work, and the ability to work with multiple companies.

In addition, current law for independent contractors denies companies the ability to balance this flexibility with the security of many worker protections, such as guaranteed hourly earnings and benefits. This measure changes state law to require app-based rideshare and delivery service companies to offer **new protections and benefits for drivers**, including:

- **Earnings Guarantee:**
  - App-based *drivers would always earn at least 120% of minimum wage*, while preserving the opportunity to earn more with no caps on what drivers can earn
  - *30 cents per mile for expenses* such as gas and vehicle wear and tear
- **Healthcare stipend** consistent with employer contributions under the Affordable Care Act
  - Drivers begin earning the health care stipend after working 15 hours a week
  - Drivers who work 25 hours per week or more earn an amount equivalent to 82% of a Covered California Bronze health insurance plan
- **Occupational accident insurance to cover on-the-job injuries**
- **Automobile accident and liability insurance**
- **Protection against discrimination and sexual harassment**

## How will the healthcare component of these benefits work?

The healthcare benefits are consistent with what employers are required to provide under the Affordable Care Act. Drivers will receive a health care stipend after working 15 hours per week or more. Drivers can earn multiple stipends if they work with multiple companies. After 25 hours, a driver will earn a health care stipend equal to 82% of the cost for a Covered California Bronze Plan.

## How would this measure benefit consumers and the public?

By promoting worker flexibility and economic security, this ballot measure will protect the availability of rideshare and food and package delivery services that millions of Californians rely on every day. This includes transportation services that reduce impaired and drunk driving, improve mobility for seniors and the disabled, and provide new transportation options for families who cannot afford a vehicle.

This measure would also help protect the availability of delivery services that provide Californians affordable and convenient access to food, grocery and package delivery services, while providing new customers to small businesses like restaurants, grocers and retailers.

## How would this measure protect public safety?

State law also makes it difficult for rideshare and delivery service companies to implement many customer and public safety protections. The measure **would implement new customer and public safety protections**. The measure would provide for:

- **Recurring background checks** of drivers
- **Mandatory safety training** of drivers

- **Zero tolerance** for alcohol and drug offenses
- **A cap on driver hours** per day to help prevent sleepy driving

### **Does this ballot measure apply to all workers?**

No, this initiative is narrowly crafted to protect the right of Californians to work as independent contractor drivers with on-demand rideshare and delivery companies, and to provide those on-demand drivers new benefits and protections.

### **Why is your measure narrowly crafted for just on-demand rideshare and delivery companies and drivers?**

Hundreds of thousands of Californians are choosing to work as independent contractors on on-demand rideshare and delivery network platforms. These platforms enable truly unique on-demand work, providing complete flexibility and control over when, where and how they work. This ballot measure focuses on this specific type of work and these drivers that are flexible and independent.

### **Do drivers support the ballot measure you're proposing?**

Yes, drivers are strongly supportive and the list of drivers joining to support is growing every day. Drivers say that having a flexible schedule is critically important to them. They want to protect their right to choose the flexibility and freedom of independent contractor work, while also getting wage guarantees and benefits.

### **What about a legislative solution? Is that still a possibility?**

Yes. We will continue discussions started last legislative session in an attempt to reach a legislative compromise - one that protects the choices being made by hundreds of thousands of California workers who want the flexibility and freedom of independent contractor work, while also implementing strong, historic new earnings guarantees and benefits.

When he signed AB 5, Governor Newsom said he wanted to preserve innovation and flexibility for workers. We hope to work with the Governor and legislators to reach a compromise soon. But if not, we will be prepared to go to the ballot.

### **What's the rationale behind 120% above the minimum wage?**

This is a *minimum* hourly earnings guarantee, and drivers will regularly earn more and have the confidence of knowing they can do no worse than this standard, while engaged in this work. Plus, the measure requires 100% of tips paid on top of the minimum earnings guarantee, payment of 30 cents per mile for expenses, a health care stipend, and occupational accident insurance for on-the-job injuries.

### **What time will drivers be paid for?**

Drivers will receive pay from the time they accept a delivery or ride to the time they drop the order or the passenger off. This includes the time drivers are en route to pick up and drop off. Paying for this "engaged time" ensures drivers are being paid for the time they're actually driving

passengers or deliveries, but not for the time when they may have the app open and are not accepting work or are working on another platform.

### **Will tips be included in your calculation of a minimum wage?**

No. One hundred percent of tips will go to the driver, and companies cannot reduce the amount they pay drivers on account of tips. Tips will be on top of all wages, expense reimbursements and any company-specific inducements.

### **How does the accidental insurance and other benefits work?**

The measure requires companies to provide on-demand drivers occupational accident insurance to cover medical expenses and lost income resulting from injuries suffered during engaged time. The coverage includes at least:

- Coverage for medical expenses incurred, up to at least \$1 million
- Disability payments and death benefits commensurate with those provided by workers' compensation

### **What are the details of the safety training?**

The measure would provide for mandatory safety training. The safety training required by this section shall include the following subjects:

- Collision avoidance and defensive driving techniques
- Identification of collision causing elements such as excessive speed, DUI, and distracted driving
- Recognition and reporting of sexual assault and misconduct
- For on-demand drivers delivering prepared food or groceries, food safety information relevant to the delivery of food, including temperature control.

## **Support the Protect App-Based Drivers & Services Act**

[www.ProtectDriversandServices.com](http://www.ProtectDriversandServices.com)

Paid for by Protect App-Based Drivers & Services, a coalition of on-demand drivers and network companies, small businesses, community groups and public safety organizations.