

# United States Senate

WASHINGTON, DC 20510-2309

July 14, 2015

The Honorable Thomas E. Perez  
Secretary  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

Dear Secretary Perez:

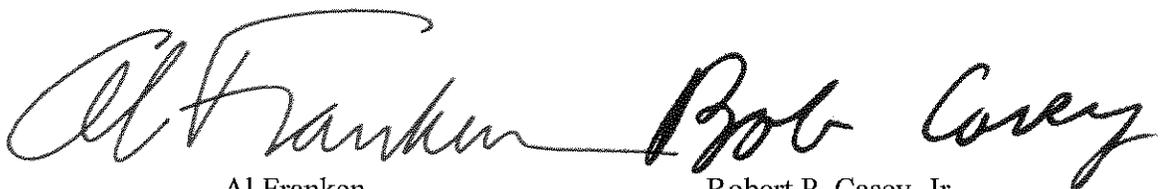
We are writing to you regarding the classification of workers in the new on-demand economy. In the on-demand economy, also known as the “gig economy,” businesses who largely rely on independent contractors use online and app-based platforms to provide services. The on-demand economy has been an important source of jobs and innovation. At the same time, we need to carefully consider the potential misclassification of workers and its ramifications.

Today, about 50 million workers – one-third of the workforce – are classified as independent contractors, freelancers, or temporary workers. This number is predicted to grow to 60 million workers – 40 percent of the workforce – by 2020. These workers do not receive benefits and safeguards such as unemployment insurance, workers’ compensation, and retirement benefits. As the workplace and our definition of workers evolve away from traditional employment models, we must ensure that we take appropriate steps to protect the new workforce, which is key to preserving a strong middle-class.

We therefore ask that the Department of Labor provide clarification to current classification guidelines in order to help employers determine the appropriate designation of its workers within the on-demand economy. These necessary updates will also help workers understand their status and rights under the law.

We appreciate your attention to these concerns. If you have any questions or wish to discuss this matter further, please contact Mike Waske on Senator Franken’s staff at (202) 224-5641 or [Michael\\_Waske@help.senate.gov](mailto:Michael_Waske@help.senate.gov).

Sincerely,



Al Franken  
United States Senator

Robert P. Casey, Jr.  
United States Senator