

HOUSE No. 4376

The Commonwealth of Massachusetts

INITIATIVE PETITION OF CHRISTINA M. ELLIS-HIBBET AND OTHERS.

OFFICE OF THE SECRETARY.

BOSTON, JANUARY 28, 2022.

Steven T. James
Clerk of the House of Representatives
State House
Boston, Massachusetts 02133

Sir: — I herewith transmit to you, in accordance with the requirements of Article XLVIII of the Amendments to the Constitution an initiative petition for “A Law Defining and Regulating the Contract-Based Relationship Between Network Companies and App-Based Drivers (Version B)” signed by ten qualified voters and filed with this department on or before December 1, 2021, together with additional signatures of qualified voters in the number of 100,692, being a sufficient number to comply with the Provisions of said Article.

Sincerely,

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth.

AN INITIATIVE PETITION.

Pursuant to Article XLVIII of the Amendments to the Constitution of the Commonwealth, as amended, the undersigned qualified voters of the Commonwealth, ten in number at least, hereby petition for the enactment into law of the following measure:

HOUSE No. 4376

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act defining and regulating the contract-based relationship between network companies and app-based drivers.

Be it enacted by the People, and by their authority, as follows:

1 SECTION 1. The General Laws are hereby amended by inserting after chapter 159A1/2
2 the following chapter:

3 Chapter 159AA

4 Section 1. Title. This chapter shall be known as the "Relationship Between Network
5 Companies and App-Based Drivers Act."

6 Section 2. Purpose. The purpose of this Act is to define and regulate the contract-based
7 relationship between network companies and app-based drivers as independent contractors with
8 required minimum compensation and benefits standards that will operate uniformly throughout
9 the commonwealth, guaranteeing drivers the freedom and flexibility to choose when, where,
10 how, and for whom they work.

11 Section 3. Definitions. For the purposes of this chapter, the following words shall have
12 the following meanings:

CORRECTED

13 "App-based driver" or "driver", a person (a) who is a DNC courier and/or TNC driver;
14 and (b) for whom the following conditions are satisfied: (1) the network company does not
15 unilaterally prescribe specific dates, times of day, or a minimum number of hours during which
16 the DNC courier and/or TNC driver must be logged into the network company's online-enabled
17 application or platform; (2) the network company may not terminate the contract of the DNC
18 courier and/or TNC driver for not accepting a specific transportation service or delivery service
19 request; (3) the network company does not restrict the DNC courier and/or TNC driver from
20 performing services through other network companies except while performing services through
21 the network company's online-enabled application or platform; and (4) the network company
22 does not contractually restrict the DNC courier and/or TNC driver from working in any other
23 lawful occupation or business. Notwithstanding any other law to the contrary, a DNC courier
24 and/or TNC driver who is an app-based driver as defined herein shall be deemed to be an
25 independent contractor and not an employee or agent for all purposes with respect to his or her
26 relationship with the network company.

27 "Average ACA contribution," 82 per cent of the dollar amount of the average monthly
28 Health Connector premium.

29 "Average hourly earnings", an app-based driver's earnings from, or facilitated by, the
30 network company during the 365 days immediately prior to the day that earned paid sick time is
31 used, divided by the total hours of engaged time worked by the app-based driver on that network
32 company's online-enabled application or platform during that period.

33 "Average monthly Health Connector premium", the dollar amount published pursuant to
34 subsection (f) of section 5 of this chapter.

CORRECTED

35 "Contract," a written agreement, which may be electronic, between an app-based driver
36 and a network company.

37 "Delivery Network Company" or "DNC", a business entity that (a) maintains an online-
38 enabled application or platform used to facilitate delivery services within the Commonwealth
39 and (b) maintains a record of the amount of engaged time and engaged miles accumulated by
40 DNC couriers.

41 "Delivery Network Company Courier" or "DNC courier", a person who provides delivery
42 services through a DNC's online-enabled application or platform.

43 "Delivery services", the fulfillment of a delivery request, meaning the pickup from any
44 location in the Commonwealth of any item or items and the delivery of the items using a private
45 passenger motor vehicle, bicycle, electric bicycle, motorized bicycle, scooter, motorized scooter,
46 walking, public transportation, or other similar means of transportation, to a location selected by
47 the customer located within 50 miles of the pickup location. A delivery request may include
48 more than 1, but not more than 30, distinct orders placed by different customers. Delivery
49 services may include the selection, collection, or purchase of items by a DNC courier, as well as
50 other tasks incident to a delivery. Delivery services do not include assistance with residential
51 moving services.

52 "Earnings", all amounts, including incentives and bonuses, remitted to an app-based
53 driver, provided that the amount does not include toll fees, cleaning fees, airport fees, or other
54 customer pass-throughs. Amounts remitted are net of service fees or similar fees charged to the
55 app-based driver by the network company. Amounts remitted do not include tips or gratuities.

CORRECTED

56 "Engaged miles", all miles driven during engaged time in a private passenger motor
57 vehicle that is not owned, leased, or rented by the network company, or any of its affiliates.
58 Network companies may exclude miles if doing so is reasonably necessary to remedy or prevent
59 fraudulent use of the network company's online-enabled application or platform.

60 "Engaged time", (a) subject to the conditions set forth in subsection (b) in this definition,
61 the period of time, as recorded in a network company's online-enabled application or platform,
62 from when a driver accepts a request for delivery or transportation services to when the driver
63 fulfills that request. For requests that are scheduled in advance and for which the driver accepts
64 the request but is not immediately en route to fulfill that request, a driver shall only be
65 considered engaged on a network company's platform when the driver is en route to fulfill that
66 scheduled request, regardless of when the driver accepted the request.

67 (b) Engaged time shall not include (1) any time spent performing delivery or
68 transportation services after the request has been cancelled by the customer; or (2) any time spent
69 on a request for delivery or transportation services where the driver abandons performance of the
70 service prior to completion. Network companies may also exclude time if doing so is reasonably
71 necessary to remedy or prevent fraudulent use of the network company's online-enabled
72 application or platform.

73 "Health Connector", the Commonwealth Health Insurance Connector Authority
74 established by chapter 58 of the acts of 2006 and section 2 of chapter 176Q of the Massachusetts
75 General Laws.

76 "Network company", a DNC and/or TNC.

CORRECTED

77 "Person", shall have the same definition as provided in clause twenty-third of section 7 of
78 chapter 4 of the Massachusetts General Laws.

79 "Private passenger motor vehicle," any passenger vehicle which has a vehicle weight
80 rating or curb weight of 6,000 lbs. or less as per manufacturer's description of said vehicle or is a
81 sport utility vehicle, passenger van, or pickup truck.

82 "Qualifying health plan", a health insurance plan in which the app-based driver is the
83 subscriber, that is not paid for in full or in part by any current or former employer, and that is not
84 a Medicare or Medicaid plan.

85 "Quarter", each of the following 4 time periods: (a) January 1 through March 31; (b)
86 April 1 through June 30; (c) July 1 through September 30; (d) October 1 through December 31.

87 "Transportation network company" or "TNC", has the same meaning as provided in
88 section 1 of chapter 159A1/2 of the Massachusetts General Laws.

89 "Transportation network company driver" or "TNC driver", a Transportation network
90 driver, as defined in section 1 of chapter 159A1/2 of the Massachusetts General Laws, that
91 provides transportation services, or a person operating a livery vehicle as defined in 540 CMR
92 2.00 on a TNC's digital network, as defined in section I of chapter 159A 1/ 2.

93 "Transportation services", the provision of transportation facilitated by the digital
94 network, as defined in section 1 of chapter 159A1/2 of the Massachusetts General Laws, of a
95 TNC for which the pickup of the passenger occurs in the Commonwealth.

96 Section 4: Guaranteed Earnings Floor.

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97 (a) A network company shall ensure that for each earnings period, a driver is
98 compensated at not less than the net earnings floor as set forth in this section. The net earnings
99 floor establishes a guaranteed minimum level of compensation for drivers that cannot be
100 reduced. In no way does the net earnings floor prohibit drivers from earning a higher level of
101 compensation.

102 (b) For each earnings period, a network company shall compare a driver's net
103 earnings against the net earnings floor for that driver during the earnings period. In the event that
104 the driver's net earnings in the earnings period are less than the net earnings floor for that
105 earnings period, the network company shall include an additional sum accounting for the
106 difference in the driver's earnings no later than during the next earnings period.

107 (c) For purposes of this section, the following definitions apply:

108 (1) "Minimum wage", means the state mandated minimum wage for all industries as
109 provided by section 1 of chapter 151 of the Massachusetts General Laws.

110 (2) "Earnings period", means a pay period, set by the network company, not to
111 exceed 14 consecutive calendar days.

112 (3) "Net earnings", means all earnings received by an app-based driver in an earnings
113 period.

114 (4) "Net earnings floor", means, for any earnings period, a total amount that consists
115 of:

116 (i) For all engaged time, the sum of 120 per cent of the minimum wage for that engaged
117 time. (ii)(A) The per-mile compensation for vehicle expenses set forth in this clause multiplied
118 by
119 the total number of engaged miles.

120 (B) After the effective date of this chapter and for the 2023 calendar year, the per-
121 mile compensation for vehicle expenses shall be 26 cents per engaged mile. For calendar years
122 after 2023, the amount per engaged mile shall be adjusted pursuant to the following subclause
123 (C).

124 (C) For calendar years following 2023, the per-mile compensation for vehicle
125 expenses described in subclause (B) shall be adjusted every five years to reflect any change in
126 inflation as measured by the Consumer Price Index for All Urban Consumers (CPI-U) published
127 by the United States Bureau of Labor Statistics, or any successor index or agency. The
128 commissioner of administration shall calculate and publish the adjustments required by this
129 subclause.

130 (d) Nothing in this section shall be interpreted to require a network company to
131 provide a particular amount of compensation to a driver for any given transportation or delivery
132 request, as long as the driver's net earnings for each earnings period equals or exceeds that
133 driver's net earnings floor for that earnings period as set forth in subsection (b) of this section.

134 Section 5. Healthcare Stipend.

135 (a) Consistent with the average contributions required under the federal Patient
136 Protection and Affordable Care Act, Pub. L. 111-148 (March 23, 2010), a network company

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137 shall provide a quarterly healthcare stipend to app-based drivers who meet the conditions set
138 forth in this section. An app-based driver that averages the following amounts of engaged time
139 per week on a network company's platform during a quarter that commences on or after January
140 1, 2023 shall receive the following stipends from that network company:

141 (1) For an average of 25 hours or more per week of engaged time in the quarter, a
142 payment greater than or equal to 100 per cent of the average ACA contribution for the applicable
143 average monthly Health Connector premium for each month in the quarter.

144 (2) For an average of at least 15 but less than 25 hours per week of engaged time in
145 the quarter, a payment greater than or equal to 50 per cent of the average ACA contribution for
146 the applicable average monthly Health Connector premium for each month in the quarter.

147 (b) At the end of each earnings period, a network company shall provide to each app-
148 based driver the following information:

149 (1) The number of hours of engaged time the app-based driver recorded in the
150 network company's online-enabled application or platform during that earnings period.

151 (2) The number of hours of engaged time the app-based driver has recorded in the
152 network company's online-enabled application or platform during the current quarter up
153 to that point.

154 (c) The Health Connector may adopt or amend regulations as it deems appropriate to
155 implement this section, including to permit app-based drivers receiving stipends pursuant to this
156 section to enroll in health plans offered through the Health Connector.

CORRECTED

157 (d)(1) As a condition of providing the healthcare stipend set forth in subsection (a), a
158 network company may require an app-based driver to submit proof of current enrollment in a
159 qualifying health plan as of the last day of the quarter for which the stipend would be provided.
160 Proof of current enrollment may include, but is not limited to, health insurance membership or
161 identification cards, evidence of coverage and disclosure forms from the health plan, or claim
162 forms and other documents necessary to submit claims.

163 (2) An app-based driver shall have not less than 15 calendar days from the end of the
164 quarter to provide proof of enrollment as set forth in paragraph (1) of this subsection.

165 (3) A network company shall provide a healthcare stipend due for a quarter under
166 subsection

167 (a) within 15 days of the end of the quarter or within 15 days of the app-based driver's
168 submission of proof of enrollment as set forth in paragraph (1) of this subsection, whichever is
169 later.

170 (e) Nothing in this section shall be interpreted to prevent an app-based driver from
171 receiving a healthcare stipend from more than one network company for the same quarter.

172 (f)(1) On or before 14 days following the effective date of this section, and on or before
173 each September 1 thereafter, the Health Connector shall publish the average statewide monthly
174 premium paid, or anticipated to be paid, by an individual for the following calendar year for a
175 Health Connector bronze tier health insurance plan, or any future successor equivalent plan.

176 (2) When computing the average as required by paragraph (1) of this subsection, the
177 Health Connector shall divide the total monthly premium paid, or anticipated to be paid, by all

178 enrollees in an individual Health Connector bronze tier health insurance plan, or any future
179 successor equivalent plan, by the total number of individuals in the commonwealth who are
180 enrolled in, or anticipated to be enrolled in, such plans.

181 (g) This section shall become inoperative in the event that the United States or the
182 commonwealth implements a single-payer universal healthcare system or substantially similar
183 system that expands coverage to the recipients of stipends under this section.

184 Section 6. Paid Sick Time. Network companies shall provide app-based drivers with
185 earned paid sick time as set forth in this section.

186 (a) "Earned paid sick time", is the time provided by a network company to an app-
187 based driver as calculated under subsection (c) of this section. For each hour of earned paid sick
188 time used by an app-based driver, the network company shall compensate the driver at a rate
189 equal to the greater of the following:

190 (1) The app-based driver's average hourly earnings.

191 (2) 120 per cent of the minimum wage described in paragraph (1) of subsection (c) of
192 section 4 of this chapter.

193 (b) An app-based driver shall only use earned paid sick time for the same reasons set
194 forth for employees in paragraph (1) through paragraph (4) of subsection (c) of section 148C of
195 chapter 149 of the Massachusetts General Laws.

196 (c) A network company shall provide a minimum of one hour of earned paid sick
197 time for every 30 hours of engaged time recorded on or after the effective date of this section by
198 an app-based driver in the network company's online-enabled application or platform. App-

199 based drivers shall be entitled to first use accrued earned paid sick time upon recording 90 hours
200 of engaged time on the network company's online-enabled application or platform. From that day
201 forward, an app-based driver may use earned sick time as it accrues. A contract between a
202 network company and an app-based driver may require the driver to use earned paid sick time in
203 increments of up to 4 hours.

204 (d) App-based drivers may carry over up to 40 hours of unused earned paid sick time
205 to the next calendar year, but are not entitled to use more than 40 hours in one calendar year.
206 Network companies shall not be required to pay out unused earned paid sick time. If an app-
207 based driver does not record any engaged time in a network company's online-enabled
208 application or platform for 365 or more consecutive days or the app-based driver's contract with
209 a network company is terminated, any unused earned paid sick time accrued up to that point with
210 that network company shall no longer be valid or recognized.

211 (e) A network company may require certification when an app-based driver makes a
212 request to use more than 24 hours of earned paid sick time in a 72-hour period or when
213 reasonably necessary to prevent fraud. Any reasonable documentation signed by a health care
214 provider indicating the need for earned paid sick time taken shall be deemed acceptable
215 certification for absences. Nothing in this section shall be construed to require an app-based
216 driver to provide as certification any information from a health care provider that would be in
217 violation of federal law.

218 Section 7. Paid Family and Medical Leave.

219 (a) An app-based driver shall be entitled to coverage in the family leave and medical
220 leave programs established by chapter 175M of the Massachusetts General Laws as set forth in

CORRECTED

221 this section unless the driver declines coverage via a written notification, which may be
222 electronic, to the network company. Such declination shall continue to be effective until revoked
223 by the driver. A network company shall provide an opportunity for an app-based driver to
224 revoke a declination not less than annually. A declination or revocation of a declination shall be
225 effective 15 days following an app-based driver's submission of a written notification to the
226 network company.

227 (b) For purposes of this section and chapter 175M of the Massachusetts General Laws
228 only, all of the following shall apply:

229 (1) An app-based driver who has not declined coverage, or revoked a previous
230 declination, shall be considered a covered individual, as defined in section 1 of chapter 175M of
231 the Massachusetts General Laws, on the same basis as a covered contract worker, as defined in
232 chapter 175M; provided, however, that an app-based driver shall not be eligible for benefits until
233 contributions have been made on the driver's behalf for at least 2 quarters of the driver's last 4
234 completed quarters.

235 (2) A network company shall be considered a covered business entity, as defined in
236 chapter 175M of the Massachusetts General Laws, for the limited purpose of making
237 contributions, as defined in chapter 175M, to the Family and Employment Security Trust Fund
238 for each app-based driver who has not declined coverage in the family leave and medical leave
239 programs pursuant to subsection (a). Contributions under this paragraph shall be made in the
240 same manner as provided in section 6 of chapter 175M for covered contract workers, as defined
241 in chapter 175M.

242 Section 8. Occupational Accident Insurance.

CORRECTED

243 (a) For the purposes of this section, the following words shall have the following
244 meanings:-

245 (1) "Average weekly earnings", the app-based driver' s total earnings from all network
246 companies during the 28 days prior to the accident divided by four.

247 (2) "Online", means the time when an app-based driver is utilizing a network
248 company's online-enabled application or platform and can receive requests for transportation
249 services or delivery services from the network company, or during engaged time.

250 (3) "Maximum weekly compensation rate", has the same meaning as provided in
251 section 1 of chapter 152 of the Massachusetts General Laws.

252 (4) "Minimum weekly compensation rate", has the same meaning as provided in
253 section 1 of c apter 152 of the Massachusetts General Laws.

254 (b) Each network company, within 240 days of the effective date of this act, shall
255 purchase occupational accident insurance, as described in this section, for all drivers who
256 provide transportation or delivery services through the network company's online-enabled
257 application or platform.

258 (c) Each network company shall file with the division of insurance, no later than 30
259 days after the commencement of a new policy year, a copy of the policy it has purchased for
260 DNC couriers and INC drivers, respectively. The division of insurance shall be treated by the
261 insurer as a certificate holder for purposes of receiving notice of cancellation of the policy.

262 (d) The occupational accident insurance policy required under subsection (b) shall
263 cover medical expenses and lost income resulting from injuries suffered while the app-based

CORRECTED

264 driver is online with a network company's online-enabled application or platform. Policies shall
265 at a minimum include a total combined single limit of \$1,000,000 per accident and provide for
266 payment of benefits to a covered individual as follows:

267 (1) Coverage for medical expenses incurred, up to at least \$1,000,000 and for up to
268 156 weeks following the injury;

269 (2) Continuous total disability payments, temporary total disability payments, and
270 partial disability payments for injuries that occur while the driver is online equal to 66 per cent of
271 the driver's average weekly earnings as of the date of injury but not more than the maximum
272 weekly compensation rate, unless the average weekly earnings of the driver is less than the
273 minimum weekly compensation rate, in which case the weekly compensation shall be equal to
274 the driver's average weekly earnings. Payments under this paragraph shall be made for up to the
275 first 156 weeks following the injury;

276 (3) For the benefit of spouses, children, or other dependents of drivers, accidental
277 death insurance in the amount equal to 66 per cent of the driver's average weekly earnings as of
278 the date of injury but not more than the maximum weekly compensation rate, unless the average
279 weekly earnings of the driver is less than the minimum weekly compensation rate, in which case
280 the weekly compensation shall be equal to the driver's average weekly earnings, times 156 weeks
281 for injuries suffered by an app-based driver while the driver is online with the network
282 company's online-enabled application or platform that result in death; and .

283 (4) When injuries suffered by an app-based driver while the app-based driver is
284 online result in death, an amount to pay for reasonable burial expenses not to exceed eight times
285 the maximum weekly compensation rate.

286 (e) Occupational accident insurance under subsection (d) of this section shall not be
287 required to cover an accident that occurs while online but outside of engaged time where the
288 injured driver is in engaged time on one or more other network company platforms or where the
289 driver is engaged in personal activities. If an accident is covered by occupational accident
290 insurance maintained by more than one network company, the insurer of the network company
291 against whom a claim is filed is entitled to contribution for the pro-rata share of coverage
292 attributable to one or more other network companies up to the coverages and limits in subsection
293 (d).

294 (f) Any benefits provided to a driver under this section shall be considered amounts
295 payable under a driver's compensation law or disability benefit for the purpose of determining
296 amounts payable under any insurance provided under section 113L of chapter 175 of the
297 Massachusetts General Laws or for personal injury protection, as defined in section 34A of
298 chapter 90 of the Massachusetts General Laws.

299 Section 9. Contract Formation and Termination.

300 (a) A contract between a network company and an app-based driver shall be made in
301 writing, which may be electronic.

302 (b) Every contract between an app-based driver and a network company with regard
303 to delivery services or transportation services shall be deemed to include terms incorporating the
304 requirements in sections 4 through 8 of this chapter. The parties to such contracts may agree to
305 supplemental terms which do not conflict with the terms deemed to be included by this chapter.

306 (c) A network company shall not terminate a contract with an app-based driver,
307 except on grounds specified in the contract or as is required by law.

308 (d) A contract between a network company and an app-based driver shall provide
309 drivers whose contracts are terminated by the network company the opportunity to appeal such
310 termination with the network company.

311 (e) A network company shall not, unless based upon a bona fide occupational
312 qualification or public or app-based driver safety need, refuse to contract with or terminate the
313 contract of an app-based driver based upon race, color, religious creed, national origin, sex,
314 gender identity, genetic information, ancestry, status as a veteran, pregnancy or a condition
315 related to said pregnancy including, but not limited to, lactation or the need to express breast
316 milk for a nursing child, or sexual orientation, which shall not include persons whose sexual
317 orientation involves minor children as the sex object.

318 Section 10. Interpretation of this chapter.

319 (a) This chapter shall govern the contract-based civil relationship between network-
320 companies and app-based drivers.

321 (b) Notwithstanding any general or special law to the contrary, compliance with the
322 provisions of this chapter shall not be interpreted or applied, either directly or indirectly, in a
323 manner that treats network companies as employers of app-based drivers, or app-based drivers as
324 employees of network companies, and any party seeking to establish that a person is not an app-
325 based driver bears the burden of proof

326 (c) Nothing in this Act shall be construed to impair any contracts in existence as of its
327 effective date.

328 Section 11. Effective Date.

CORRECTED

329 (a) Except as provided in subsection (b), chapter 159AA of the Massachusetts
330 General Laws shall take effect on the later of January 1, 2023, or as provided in Article 48 of the
331 Amendments to the Massachusetts Constitution, as amended.

332 (b) Notwithstanding subsection (a), sections 3 and 4 of chapter 159AA shall take
333 effect as provided in Article 48 of the Amendments to the Massachusetts Constitution, as
334 amended.

CORRECTED

FIRST TEN SIGNERS

<u>NAME</u>	<u>RESIDENCE</u>	<u>CITY OR TOWN</u>
Christina M. Ellis-Hibbet	563 Ashmont Street	Boston
Katherine Mary Witman	658 Main Street	Medfield
Abigail Kennedy Horrigan	114 Eastern Avenue	Woburn
Richard M. Power	112 Summer St #2	Norwood
Meaghan J. Borkowski	20 Kings Row	North Reading
Chad B. Chokel	552 Columbus Avenue #4	Boston
Daniel Svirsky	104 Coolidge Hill Road #7	Watertown
Michael Strickman	16 Ware Street	Weston
Marcus Alan Cole	327 Seaver Street #1	Boston
James William Isaac Hills	193 Norfolk Street #2	Boston

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CERTIFICATE OF THE ATTORNEY GENERAL.

September 1, 2021.

Honorable William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Room 1705
Boston, Massachusetts 02108

RE: Initiative Petition No. 21-12: A Law Defining and Regulating the Contract-Based Relationship Between Network Companies and App-Based Drivers (Version B)

Dear Secretary Galvin:

In accordance with the provisions of Article 48 of the Amendments to the Massachusetts Constitution, I have reviewed the above-referenced initiative petition, which was submitted to me on or before the first Wednesday of August of this year.

I hereby certify that this measure is in proper form for submission to the people; that the measure is not, either affirmatively or negatively, substantially the same as any measure which has been qualified for submission or submitted to the people at either of the two preceding biennial state elections; and that it contains only subjects that are related or are mutually dependent and which are not excluded from the initiative process pursuant to Article 48, the Initiative, Part 2, Section 2.

In accordance with Article 48, I enclose a fair, concise summary of the measure.

Sincerely,

MAURA HEALEY,
Attorney General.

CORRECTED

Summary of 21-12.

This proposed law would classify drivers for rideshare and delivery companies who accept requests through digital applications as “independent contractors,” and not “employees” or “agents,” for all purposes under Massachusetts law. This proposed law would establish alternative minimum compensation and benefits for these “independent contractors.”

The proposed law would apply to drivers for rideshare and delivery companies who use digital applications and who are not (1) required to work specific days or hours; (2) required to accept specific requests; (3) restricted from working for multiple rideshare or delivery companies; or (4) restricted from working in any other lawful occupation or business. Drivers who meet these conditions would be deemed to be “independent contractors,” and not “employees” or “agents,” for all purposes under Massachusetts law.

The proposed law would require rideshare and delivery companies to provide drivers with a guaranteed amount of minimum compensation, equal to 120% of the Massachusetts minimum wage for time spent completing requests for transportation or delivery, plus an inflation-adjusted per-mile amount (starting at 26 cents) for each mile driven in a privately-owned vehicle while completing a request. The minimum compensation calculation would not include time spent by a driver between requests. A driver whose earnings, not including tips and gratuities, fall below the minimum compensation amount would be paid the difference to be brought up to the minimum compensation amount.

The proposed law would require rideshare and delivery companies to provide drivers with paid sick time, to treat drivers as eligible to take medical or family leave under the Massachusetts Paid Family and Medical Leave Act, and to provide healthcare stipends to some

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drivers. Drivers would earn a minimum of 1 hour of paid sick time for every 30 hours spent completing requests for transportation or delivery.

The proposed law would require rideshare and delivery companies to purchase accident insurance for drivers who are injured or killed while fulfilling or accepting requests and not engaging in personal activities.

The proposed law would prohibit rideshare and delivery companies from terminating the contract of a driver, or refusing to contract with a driver, based on race, sex, sexual orientation, or other protected characteristics unless based upon a bona fide occupational qualification or a safety need. Companies would be required to provide a driver who is terminated with an opportunity to appeal their termination.