

**JULIAN BRADLEY**  
WISCONSIN STATE SENATOR

**Senate Bill 559**

**Senate Committee on Utilities, Technology and Telecommunications**

**Wednesday, November 15, 2023**

Vice-Chairman Wanggaard and Committee members,

As our economy continues to change, we as legislators must work to ensure Wisconsin's laws are not standing in the way of economic growth. The gig economy is a rapidly expanding part of our state's commerce. Whether it's someone from Uber getting you to the airport or Instacart dropping off your groceries, Wisconsinites are increasingly taking advantage of these services both as consumers and as contractors.

This bill helps facilitate this trend by allowing drivers for transportation network companies (TNCs) like Uber or Lyft and delivery network companies (DNCs) like Instacart or DoorDash to create portable benefit accounts. These accounts could be used for drivers to set aside some of their hard earned money to plan for future costs like health insurance or lost wages from a vacation or even retirement.

The bill would also create clear criteria for evaluating if these drivers are contractors or employees. These drivers would be considered contractors as long as the TNC or DNC refrains from doing any of the following:

- Setting explicit hours
- Abolishing the contract if the driver does not accept specific requests
- Limiting a drivers ability to perform services for another TNC or DNC
- Limiting a drivers ability from working for any other authorized business

Both of these changes are crucial to the ongoing operation of these companies in Wisconsin and provide an added benefit for those who choose to participate in the gig economy.

Please join me in supporting Senate Bill 559. I would be happy to answer any questions committee members may have.



---

# ALEX A. DALLMAN

---

STATE REPRESENTATIVE • 41<sup>ST</sup> ASSEMBLY DISTRICT

## Testimony in Favor of Senate Bill 559

*Senate Committee on Utilities and Technology*

November 15<sup>th</sup>, 2023

Thank you, Chairman Bradley and committee members, for allowing me to testify before you concerning Senate Bill 559, legislation that would allow Transportation Network Companies (TNCs) and Delivery Network Companies (DNCs) to offer incentives such as personal portable benefit accounts and occupational accident insurance to their drivers. I would also like to thank Senator Bradley for his leadership on this legislation.

This bill would implement a first-of-its-kind portable benefits structure, allowing those who chose flexible work with TNCs and DNCs to access funding for health insurance, retirement savings, and the replacement of lost income in various conditions. The result being a structure for those who work for TNCs and DNCs to maintain the independence they value, while also providing an opportunity for earned benefits.

SB 559 also reinforces these drivers are independent contractors not employees of the TNC or DNC if the company refrains from doing the following:

- Setting work hours or minimum work mandates
- Terminating the contract if the driver does not accept specific requests
- Limiting a driver's ability to perform services for another TNC or DNC
- Limiting a driver's ability from working for any other lawful business

This bill would protect the independence of drivers while also providing access to benefits that best fits the needs of the worker.

Thank you again, Chairman Bradley, for the opportunity to testify before this committee today and I would be happy to answer any questions you may have.



Maplebear Inc. d/b/a Instacart  
50 Beale Street, Suite 600  
San Francisco, CA 94105

**Testimony in Support of SB 559 AN ACT relating to: delivery network couriers and transportation network drivers.**

Dear Chairman Bradley, Vice-Chair Wanggaard and distinguished members of the Committee on Utilities and Technology

On behalf of Instacart, I am writing to express our support for Senate Bill 559, which will preserve access to the independence and flexibility shoppers and other app-based workers consistently say they want while allowing portable benefits for those who need them.

Instacart is the leading grocery technology company in North America, and we partner with more than 50 local retailers to facilitate orders from more than 1,100 stores across Wisconsin. Our mission is to create a world where everyone has access to the food they love.

Individuals who shop on the Instacart platform aren't just providing valuable services in the community, they are an integral part of the community. They are caretakers, parents, and college students and others for whom a rigid traditional job isn't feasible. One of the fundamental draws of app-based work, such as shopping with Instacart, is the level of independence it offers. Over 80% of shoppers say they choose to shop on Instacart because of the independence it provides. They have the freedom to choose when, where, and for how long they work, without any set schedule, minimum commitment, or obligation. Platforms like Instacart have become a financial safety net by providing immediate, flexible earnings opportunities, including for those struggling during this time of record inflation.

Protecting flexibility while allowing new benefits that meet the needs of a modern workforce is important. With Senate Bill 559, companies like Instacart would be able to provide contributions that a worker can use towards retirement savings or a college savings account. This empowers independent contractors to plan for their future and ensure financial stability.

Further, the bill authorizes companies to purchase occupational accident insurance that would provide coverage for injuries that a worker sustained by providing services. Existing laws make it difficult to offer such protections, but Senate Bill 559 resolves this issue by providing clear statutory authority enabling app-based companies to provide this coverage without compromising a worker's independent contractor classification, which workers overwhelmingly tell us they want.

Senate Bill 559 is a critical piece of legislation. It embraces the unique nature of app-based work and creates a framework for companies like Instacart to contribute towards the well-being and financial security of app-based workers without jeopardizing the independence they want.

I respectfully urge each member of the Committee on Utilities and Technology to support Senate Bill 559 and prioritize the interests and well-being of independent contractors. By doing so, we can ensure a fair and equitable environment for the growing app-based workforce.

Sincerely,

*Kelley R. Foxx*

Kelley R. Foxx  
Public Policy Manager, Midwest Region



November 14, 2023

Wisconsin State Senate  
Senate Committee on Utilities and Technology  
P.O. Box 7882  
Madison WI 53707

Dear Senator,

On behalf of our FreedomWorks activists in Wisconsin, we respectfully urge your support of Senate Bill 559 concerning delivery couriers and drivers. If enacted, Wisconsin's statute will be a model for the nation in addressing the issues surrounding the changing employment landscape.

SB 559 would allow delivery network companies and transportation network companies to offer benefits to couriers and drivers, including portable benefit accounts and insurance coverage.

The legislation would also make clear that application-based drivers—including delivery network couriers and drivers for transportation network companies—are not "employees" of the delivery network companies unless the network company sets the driver's schedule, requires the driver to accept specific requests, and restricts the driver from working for competing companies or in any other lawful business. This would protect the freedom and flexibility of independent contractors to control their hours and location of work.

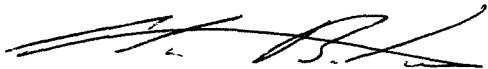
By setting clear rules of the road for the classification of drivers as "independent contractors" or "employees," delivery network companies could offer benefits to attract and retain drivers without fear of being deemed an "employer" of those drivers.

This voluntary system that the legislation prescribes would address the concern that independent contractors do not have access to benefits traditionally provided by employers, while not forcing independent contractors to give up the advantages of their flexible work arrangements. It would also enable companies to continue a business model that has provided essential income to thousands of people, including those just

entering the workforce, new immigrants with language barriers to traditional employment, students, and caregivers who cannot work traditional schedules.

Thank you for your consideration of our position, and we hope we can count on your support for SB 559.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adam Brandon', with a stylized flourish at the end.

Adam Brandon  
President, FreedomWorks