



Questions & Answers about Proposition 22



? What is Prop 22?

Proposition 22 is a statewide ballot measure appearing on the November 2020 California ballot that will **save app-based jobs and services**. Prop 22 would:

- **PROTECT** the choice of app-based drivers to work as independent contractors with control over where, when, how long and for whom they work.
- **SAVE** hundreds of thousands of California jobs at a time when millions are struggling financially.
- **IMPROVE** app-based work for drivers by requiring network companies to provide new benefits, including guaranteed hourly earnings and per mile compensation toward expenses, funding for health benefits, medical and disability coverage for on-the-job injuries and illnesses, and additional protections against harassment and discrimination.
- **EXPAND** public safety protections including ongoing background checks and safety courses for drivers, zero tolerance for drug, alcohol and other offenses, and making it a crime to impersonate a driver.
- **SAVE** access to affordable, accessible and safe delivery services that millions now rely on to bring groceries, medications, and warm meals to homes – especially now - and rideshare services that improves mobility and keeps drunk and impaired drivers off our roads.

? Why is Prop 22 needed?

App-based delivery and rideshare services and drivers are under attack. Sacramento politicians passed drastic new legislation that threatens to make it illegal for Californians to work as independent contractors with app-based rideshare, food and grocery delivery platforms — instead forcing drivers to be classified as employees, with fixed shifts and schedules, if they want to continue this work.

According to research conducted by California's former nonpartisan legislative analyst, prohibiting independent contract work for app-based drivers would eliminate up to 900,000 jobs, a reduction of between 80-90% of drivers currently driving today. These job losses will come at the worst possible time when California is facing high unemployment and when app-based work opportunities provide a lifeline for people to earn income.

Prop 22 saves app-based jobs and services, improves app-based work and benefits for drivers, and adds new public safety protections for consumers.

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Aren't drivers better off as employees? Won't they receive better benefits?

No. For starters, forcing an employment model will result in the loss of 900,000 earning opportunities, so employment means massive job losses. Second, by a 4-to-1 margin, independent surveys show app-based drivers overwhelmingly prefer to work as independent contractors with flexibility and control over their schedules. More than 80% of drivers work less than 20 hours a week, have other jobs or responsibilities, and can't work set shifts as employees, including:

- Parents who work while kids are in school
- Family members who work odd hours so they can care for aging parents or other loved ones
- Working families, retirees and students who need supplemental income

How will drivers benefit from Prop 22?

Prop 22 would protect the right of app-based drivers to work as independent contractors with control over when, where, how they work, and the ability to work with multiple platforms. And Prop 22 improves app-based work by requiring platforms to provide:

- **Guaranteed minimum earnings of approximately \$21 per hour**
 - Drivers always receive at least an amount equal to 120% of minimum wage plus 30 cents per mile compensation toward expenses, with the potential to earn more and no limits on how much drivers can make. Drivers also keep 100% of their tips (as is true today).
- **Funding for health benefits** equal to 100 percent of the average employer payment toward a Covered California Plan, or an estimated \$367 per month to a driver on average.
 - Drivers start earning this amount at 15 hours per week and reach the full amount at 25 hours per week.
 - Drivers can earn multiple contributions from multiple platforms.
- **Medical and disability coverage for on-the-job injuries and illnesses**
- **Protection against discrimination and sexual harassment**

Do drivers support Prop 22?

More than 100,000 California drivers have signed up and are actively working to pass Prop 22. The list of drivers is growing every day. By a 4-to-1 margin, independent surveys show app-based drivers overwhelmingly prefer to work as independent contractors, not employees.

Who else supports Prop 22?

Proposition 22 is endorsed by 100 organizations representing drivers, small businesses, social justice advocates, public safety leaders and others, including:

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| California Small Business Association | National Hispanic Council on Aging |
| California State NAACP | California Hispanic Chambers of Commerce |
| California Senior Advocates League | CalAsian Chamber of Commerce |
| National Diversity Coalition | National Black Chamber of Commerce |
| California Peace Officers' Association | California Black Chamber of Commerce |
| California Police Chiefs Association | The Internet Association |
| Crime Victims United of California | TechNet |
| Mothers Against Drunk Driving | More than 100+ groups |

? How would Prop 22 benefit consumers?

Proposition 22 is needed to save the app-based rideshare and delivery services that millions of Californians rely on every day.

Eliminating drivers' ability to work as independent contractors will end the flexibility the vast majority of drivers need, severely damaging the proven on-demand model that quickly matches customers with drivers. The result will be much longer wait times, significantly higher consumer prices, and even a permanent shutdown of services in many areas—eliminating hundreds of thousands of jobs.

Prop 22 keeps essential app-based rideshare and food delivery services available, affordable and safe.

Prop 22 also adds new public safety protections for drivers, customers and the general public.

? How would Prop 22 protect public safety?

Prop 22 would enhance public safety protections, including:

- **Providing for ongoing background checks** of drivers
- **Mandatory safety courses** for drivers
- **Zero tolerance** for alcohol and drug offenses
- **Making it a crime** to impersonate a driver
- **A cap on driver hours** per day to help prevent sleepy driving

? Why don't app-based platforms reclassify their drivers as employees?

By a 4-to-1 margin independent surveys show app-based drivers overwhelmingly prefer to work as independent contractors, not employees.

Yet politicians keep pushing destructive laws and lawsuits that would eliminate the ability of drivers to work as independent contractors. These coordinated legal actions against drivers underscore the reason why Prop 22 is necessary.

It is baffling that anyone would seek to end this critical work, threatening 900,000 jobs, especially right now. Most drivers drive with app-based platforms part-time – 80 percent drive less than 20 hours a week and most drive fewer than 10 hours a week.

Drivers overwhelmingly do this work to supplement income around other jobs and life responsibilities and wouldn't be able to work if forced to become employees. That's why Prop 22 is so important, and we are confident voters will support it.

? How will the health care contributions work?

Under Prop 22, drivers would earn a health care contribution equal to 100 percent of the average employer payment toward a Covered California Plan, or about \$367 per month to a driver on average. And as health care costs increase, the contribution increases.

Drivers start earning this amount at 15 hours per week and reach the full amount at 25 hours per week. They can also earn multiple contributions if they work with multiple platforms.

Funding for health care benefits in Prop 22 are more generous than what’s required by the Affordable Care Act, which only requires health care to be provided to those working at least 30 hours per week, with no benefits for part time workers.

? What’s the rationale behind 120% above the minimum wage?

Prop 22 guarantees drivers a minimum earnings. This is a floor, not a ceiling. Drivers regularly earn more and have the confidence of knowing they can’t earn less than this standard minimum. Plus, the measure requires 100% of tips paid on top of the minimum earnings guarantee, funding for health benefits and medical and disability coverage for on-the-job injuries and illnesses. Under this earnings guarantee, the average hourly wage will be at least \$21 per hour.

? 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 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.

? How does the medical and disability coverage and other benefits work?

The measure requires companies to provide on-demand drivers medical and disability coverage for medical expenses and lost income resulting from injuries or illnesses suffered when they are “online,” even between rides or deliveries.

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 Insurance

? What are the details of the safety training?

The measure would provide for mandatory safety courses. The safety courses 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

Ad paid for by Yes on 22 - Save App-Based Jobs & Services: a coalition of on-demand drivers and platforms, small businesses, public safety and community organizations.

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Lyft

DoorDash

Funding details at: <http://fppc.ca.gov>