

California Voters Approve Gig Drivers' Independent-Contractor Status, SHRM, ft. Katherine Catlos

SHRM quotes Katherine Catlos, KD SF partner and Chief Diversity & Inclusion Officer, on California Prop 22 - written by Lisa Nagele-Piazza, J.D., SHRM-SCP, published on November 4, 2020.

California voters passed Proposition 22, which will allow gig-economy companies such as Uber and Lyft to classify app-based drivers as independent contractors, despite a strict new law that a court said made such drivers employees.

Employees are entitled to minimum wage, overtime pay and other benefits that are not generally provided to independent contractors. In California, employees are also entitled to business-expense reimbursement. So the companies would have to significantly change their business models if they were required to reclassify drivers as employees.

"This is a huge win for digital platforms," said Katherine Catlos, an attorney with Kaufman Dolowich & Voluck in San Francisco. "The passage of Proposition 22 reflects the balance between innovation and protections for gig workers who are not full-fledged employees under California law."