

Gig Economy Firms Get Guidance on Employee vs. Contractor Status, Business Insurance, ft. Katherine Catlos

Katherine S. Catlos, partner at Kaufman Dolowich & Voluck LLP in San Francisco, and Chief Diversity & Inclusion Officer, was quoted in a *Business Insurance* article by Judy Greenwald on May 14, 2019.

A U.S. Department of Labor opinion letter outlining when a worker should be considered an independent contractor or an employee provides some clarity to employers potentially liable to provide benefits and a minimum wage to workers categorized as contractors, say experts.

Observers say, however, that while the department's letter will guide employers in avoiding potential liability under the 1938 federal Fair Labor Standards Act, employers must still contend with laws in states such as California, Massachusetts, Connecticut and New Jersey that are more restrictive.

The issue of whether workers are employees or independent contractors has been contentious. Last week, Uber Technologies Inc. agreed to pay \$20 million to settle a lawsuit brought by drivers nearly six years ago alleging they should be treated as employees.

But the issuance of the letter may have a limited effect, said Katherine S. Catlos, a partner with Kaufman, Dolowich & Voluck LLP in San Francisco.

"This particular opinion is not binding on anyone. It's an advisory opinion" supposedly submitted in response to a query from an anonymous company engaged in virtual marketing, she said.