



New Jersey Policy Institute



PATRICE ONWUKA And ROSEMARY BECCHI: Don't California-Ize The New Jersey Independent Workforce

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Can labor policy get any worse than destroying flexible jobs and driving self-employed professionals out of work? California did this by cracking down on freelance and gig work, leading to devastating results for its independent workforce and small businesses a few years ago. Now, New Jersey is set to replicate this hardship in the Garden State.

The New Jersey Department of Labor and Workforce Development (NJDOLE) proposed new rules governing independent contractors in the state. The state claimed to be clarifying the application of the current ABC test to determine independent contractor status. The three-pronged employment test generally requires that an employer does not exercise control over a worker, the worker's services are not part of the company's business services, and the worker is in business for himself or herself.

The proposed rules offer no better guidance but great confusion, leading to far-reaching negative consequences for workers, small businesses, and consumers. Business groups and independent workers are rightly alarmed. The National Federation of Independent Businesses commented that the proposal alters the simple ABC test into a "convoluted classification system, hindering the ability of small businesses to hire independent contractors."

The public hearing for the proposals drew standing-room-only attendance as freelancers spoke out in opposition, explaining how their livelihoods would be at stake. Lisa Yakomin, president of the Association of Bi-State Motor Carriers, testified that it would "paralyze our regional supply chain." (REPORT: US Job Growth Slowed In July)

Read the full article [here](#)!

