

Uber and Lyft Ordered to Stop Classifying Drivers as Independent Contractors

On Monday, a decision from the California Superior Court ordered Uber and Lyft to reclassify their workers from independent contractors to employees with all the legal requirements that attach to being an employee.

The big picture: Working as an independent contractor gives Americans more freedom and [flexibility](#) than they would have as an employee. For example, a person can choose when to work and when not to work, can jump back and forth between platforms, and can choose to use a platform as a way of earning extra income to supplement their regular employment. Declaring independent contractors employees takes away all of this flexibility.

What's more, this decision threatens to affect more than on-demand drivers as it is applied to other companies and the more than 3 million independent contractors in California who work in all types of industries spanning from financial and legal services to healthcare, agriculture, and entertainment.

Our take: "This is an erroneous decision that allows politicians to tell thousands of individuals that they can't support themselves and their families in the manner they chose," [said](#) U.S. Chamber Executive Vice President and Chief Policy Officer Neil Bradley. "Unless overturned, the decision threatens to cause significant disruptions for individuals, families, and the economy. It is wrong and should not stand."

Dig deeper: This [interactive map](#) offers state-by-state data on independent contractors.