

House Study Bill 546 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON COWNIE)

A BILL FOR

1 An Act defining marketplace contractors and designating
2 marketplace contractors as independent contractors under
3 specified circumstances.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 93.1 Definitions

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "*Governmental entity*" means the same as defined in
5 section 96.19.

6 2. "*Indian tribe*" means the same as defined in section
7 96.19.

8 3. "*Marketplace contractor*" means a person who does all of
9 the following:

10 a. Enters into a written agreement with a marketplace
11 platform to use the marketplace platform's digital network
12 to connect with individuals or entities that seek to obtain
13 services from the marketplace contractor.

14 b. Performs services for individuals or entities upon
15 connection through a marketplace platform's digital network in
16 exchange for compensation or payment of a fee.

17 4. "*Marketplace platform*" means a person who operates
18 a digital network to connect marketplace contractors to
19 individuals or entities that seek to obtain the type of
20 services offered by marketplace contractors.

21 5. "*Person*" means the same as defined in section 4.1.

22 Sec. 2. NEW SECTION. 93.2 Marketplace contractors as
23 independent contractors — retroactivity.

24 1. A marketplace contractor shall be treated as an
25 independent contractor, and not an employee of a marketplace
26 platform, for all purposes under state or local law, including
27 but not limited to chapters 87 and 96, if the following
28 conditions are met:

29 a. The marketplace contractor and marketplace platform agree
30 in writing that the marketplace contractor is engaged as an
31 independent contractor and not an employee of the marketplace
32 platform.

33 b. The marketplace platform does not unilaterally prescribe
34 specific hours during which the marketplace contractor must
35 be available to accept service requests submitted through the

1 platform" to mean a person who operates a digital network
2 to connect marketplace contractors to individuals or
3 entities seeking the type of services offered by marketplace
4 contractors.

5 The bill provides that a marketplace contractor shall be
6 treated as an independent contractor, and not an employee of
7 a marketplace platform, for all purposes under state or local
8 law, if the following conditions occur: the parties agree
9 in writing that the marketplace contractor is an independent
10 contractor and not an employee of the marketplace platform; the
11 marketplace platform does not unilaterally prescribe specific
12 hours during which the marketplace contractor must be available
13 to accept service requests; the marketplace platform does not
14 prohibit the marketplace contractor from engaging in outside
15 employment or performing services through other marketplace
16 platforms; and the marketplace contractor bears its own
17 expenses incurred in performing services.

18 The bill provides that for services performed by a
19 marketplace contractor prior to the effective date of the bill,
20 a marketplace contractor shall be treated as an independent
21 contractor if the conditions set forth in the bill were
22 satisfied at the time the services were performed.

23 The bill specifies that the bill does not apply to services
24 performed by an individual in the employ of a government entity
25 or Indian tribe, as defined in the bill, or services performed
26 by an individual in the employ of a religious, charitable,
27 educational, or other organization, but only if the services
28 are excluded from the definition of employment in the Federal
29 Unemployment Tax Act.