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OTHER VOICES

Not All Independent Contractors Are 'Misclassified' Employees

By Michael Gualtieri

When Attorney General Richard Blumenthal recently announced he'd be cracking down on companies that "misclassify" employees as independent contractors that sounded like a good thing. Looks like the AG's doing his job — defending workers and bringing in unpaid taxes, right?

Wrong.

In fact, what he's doing is following in the footsteps of AGs around the country who view the independent contractor issue as the key to a treasure chest of revenue for their cash-strapped states. After all, if a true employee is "misclassified" as an independent contractor, then the employer owes the state unpaid taxes as well as contributions to the state's unemployment trust fund and workers compensation pool.

Sounds good in theory, but it's the kind of broad brush politicking that lumps together every small business that uses independent contractors to stay in business — and on the tax rolls — themselves.

The fact is that some independent contractors are, indeed, independent. They are not "misclassified" employees. Professional independent contractors, like the ones we use in my same-day delivery service, are independent owner-operators. They don't want to work the standard 9-to-5 day. They are not — and do not want to be — employees.

We depend on these independent contractors to fill the fluctuating demands our same-day delivery company has to meet. If the AG chooses to see them as "misclassified" employees, it will cripple my company.

Let me tell you why: We offer same-day delivery wherever and whenever a customer needs it. Independent contract drivers are a key part of my company's ability to provide flexible scheduling and to ensure that a courier will always be available for my customers' needs. The nature of our industry, with its unpredictable on-demand, often-unscheduled delivery model, requires a varying number of courier drivers on any given day and time of day. This lack of consistency makes it impractical for me to hire as many full-time, employee couriers that busy days would require.

One day, we could be called to deliver a court filing to Hartford

for a New Haven law firm; or a truck load of machine parts for a Torrington manufacturer servicing a down assembly line; or a pint of life-saving blood to a child in Bangor, Maine. When that happens, we call on the independent contractors we trust to assist in completing those deliveries on time.

We use contractors with automobiles, cargo vans and various sized trucks. They need to respond in Stamford, Putnam, Hartford or Groton. The request could come at 2 p.m. or 2 a.m. We regularly utilize the commercial airlines in addition to these "first mile" and "last mile" companies to help us successfully complete same-day delivery.

Would the AG prefer I say no to those deliveries because all of my employee-drivers are out meeting other customer's demands? What will that do to my company's ability to pay the salaries, taxes and benefits of all the people we employ?

By characterizing all of us that depend on a flexible workforce as abusers of the system who purposely "misclassify" workers, the state has the potential to destroy a lot of businesses. And, it does a tremendous disservice to the tens of thousands of businesses that rely on us to provide the flexibility, service and responsiveness that independent contractors offer us.

The point is this: Not all independent contractors are "misclassified" employees. It is a bad business decision for the state of Connecticut to wage some kind of war on every small business that relies on independent contractors to get the job done.

We are not all the same and we are not all using independent contractors as some kind of ploy to avoid paying taxes. We employ workers; we pay taxes and we are part of Connecticut's economy. Regulating us out of business ultimately won't serve the needs of Connecticut's business nor its tax payers. ■

Michael Gualtieri owns and operates ProCourier, Inc. with offices in West Hartford, New Haven and Stamford. He is also the president of the Messenger Courier Association of America, based in of Washington, DC, the largest trade association in the same-day delivery industry. He has worked in the time-critical transportation industry in Connecticut for 30 years.



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