

## STATEMENT FOR THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS, 11-28-23

Thank you for accepting my request for a meeting and hearing me out. My name is Laura Stigler. I'm serving my 8<sup>th</sup> term as president of Independent Writers of Chicago, speaking for myself and on behalf of our members. I've been a freelance writer for 34 years. Previous to that, I worked as a full-time employee for 14 years – the first 2 years in retail advertising, and the next 12 working my way up to Creative Director at J. Walter Thompson – which at the time, was the world's largest advertising agency. For 10 of those years at J. Walter, it was glorious. The training and experience I've gained there, I wouldn't have traded for the world. Everything I've learned there I continue to put to use in my freelance writing career.

But in the last two years working at the agency, there was a regime change, turning my days into nightmares, where I experienced the kind of backstabbing that is often depicted in movies and novels about the advertising industry. I went into a deep depression, where I'd go home every night, jump in the tub and read fairy tales to escape, as I didn't do drugs. After my boss sabotaged my work only to throw me under the bus in front of a client, I was fired. Which ended up being a blessing. I vowed never, ever to work for a jerk again. So I decided to go freelance. This was in 1989.

Nonstop since then, I've been happily and successfully making my living as a freelance writer, setting my own rates, hours and picking and choosing my clients. At J. Walter, I wrote TV and radio commercials and print ads. But being a freelancer allowed me to expand my own skill sets exponentially, enabling me to offer an extensive variety of writing services that answer the different needs of a wide variety of clients. Need a website written? A blog? A video script? A press release? I do all that – and more. In doing so, I've developed solid, trusting relationships with my clients, in every case, giving my all in providing my best work, and rewarded with being paid my hourly rate willingly, eagerly, and promptly. In the 30+ years of freelancing, not once have I been stiffed. And for the very few times payment was late, I handled it, appealing to those clients' better angels.

**To those who believe they're doing Independent Contractors (ICs) a favor by forcing them into being an employee, thinking that is more secure:** My experience should tell you, that is simply not the case. Sure, as an employee you're secure – that is, until you're laid off due to budgetary concerns. Or you're fired by a nefarious boss. Or you're canceled because of a misspoken word. Or the company simply goes out of business. Oh, by the way, the iconic J. Walter Thompson – the world's largest ad agency? They no longer exist.

According to [Fiver](#), "Over 80% of independent workers strongly or somewhat agree that having multiple sources of income provides a greater level of security than relying on a single employer, and 89% agree having control over their work life allows them to adjust to changing economic conditions rather than being tied to the decisions of an employer."

Keep in mind, too, that when you lose employment, you lose your health insurance. Poof! Gone. How secure is that? As a freelancer, even if you lose a client, you still get to keep your health insurance – as long as you keep up your premium payments.

That's the thing about being independent. It teaches you responsibility. To find your own health insurance. To be proactive in paying your quarterly taxes. No, you don't get paid vacation or paid family leave, but what you do get in return are three benefits money cannot buy: Freedom, variety and flexibility.

**An example of flexibility:** I was able to earn a living while helping my dad take care of my mother during the four years she battled cancer. 20 years later, I was able to be the caregiver for my dad for 5 years until he passed away at the age of 99, all the while, taking on writing assignments that I'd work on in between the hours of helping my dad. As an employee, I wouldn't have been able to do that.

**Regarding freedom and variety,** that is something you do not get as an employee. Oftentimes – and I speak from experience, you can end up working on the same thing, day after day, year after year. But as a freelancer, I get to be creatively stimulated – and happier – by freely working for a variety of clients on a variety of assignments. So if I were to have to work for one of my clients as an employee – assuming they'd even want to hire me as such, does that mean I'd have to give up all my other clients, and be forced into working in a way that I've come to find soul-crushing? Why? Just because you say so? Or because of some ill-thought-out arbitrary rule?

**I'm referring here to Factor 5 of the USDOL's rule,** the one that emulates prong B of California's AB5 ruling that destroyed thousands of jobs and small businesses. The [personal stories](#) are heartbreaking. That factor states you will be classified as an Independent Contractor if **"The service is performed outside the usual course of the business of the employer."** Well my business would be wiped out, because I'm in advertising and the majority of my clients have been ad agencies.

**You say, "But they can hire you as an employee!"** Fat chance. No ad agency will hire anyone my age for full-time employment. Ageism is rampant in that industry. Once you turn 50, you're out. Happened to my husband and to my dad. But the way to beat that – is to be a freelancer. I get hired – and respected because of my expertise, my experience, and the fact that as an outsider, they count on me for bringing in fresh ideas and an out-of-the-box perspective. In total, I've garnered millions of dollars' worth of business for my clients. My reward? They continue to hire me and pay me more than they would were I their employee.

Corroborating my experience are these facts from [Upwork](#):

- 85% of hiring managers say that working with independent talent allows them to access specialized skills or expertise.
- 79% agree that working with independent talent has enabled their business to be more innovative.
- Nearly 80% of hiring managers who engage skilled freelancers say they are confident in their ability to find the talent they need, compared to just 63% of those who don't engage freelancers.

Let's also take into consideration the fact that often, smaller businesses will hire IC's because they simply cannot afford to take them on full time – they can't afford the vacation pay, health insurance and countless other expenses that go with hiring full-timers. So what will happen is they'll drop the IC's altogether. The IC's will lose their clients. And their clients will lose someone they've depended on to help their business succeed. Which in turn, has caused many small businesses to go under as well, because they've basically lost their work force.

According to [MBO Partners](#) (a job sourcing platform for ICs) and [Freelancers Against AB5](#), there are 72.1 million Independent Contractors in the U.S. representing over **600 professions** ranging from accounting, graphic artists and language translation to hair styling, physical therapy and writers of all stripes. That's almost 45% of the nation's workforce. The destruction these rules will do to the nation's economy will be catastrophic.

**But what it all basically comes down to is this:** Tens of thousands of IC's in professions across the board have been voicing their opposition to this rule. If it provided such great "protection" for freelancers, why are only unions in support of it? As it is, the [NLRB is being sued](#) for overstepping its regulatory capabilities (with franchisees) and this USDOL regulation will also be sued in court. The millions who have chosen to be Independent Contractors are living exactly how we want to live – with freedom and flexibility. As Americans, that is completely within our right to enjoy. Any ruling that impinges upon that right is a brazen infringement on our God-given unalienable rights to life, liberty, and pursuing happiness.

And personally, I don't want my tax dollars going towards rules that will ruin my business and that of millions of others, including the businesses of the writers my organization represents.

In sum, this so-called Classification of Employees and Independent Contractors Under the Fair Labor Standards Act is patently **unfair**. And quite frankly, un-American.

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