



# The "Protecting the Right to Organize" (PRO) Act

would dramatically upend more than 70 years of established labor law and do irreparable harm to the American economy at a time when we can least afford it.

The bill would ban Right-to-Work nationwide, meaning workers in all 50 states could be unionized and forced to pay hundreds of dollars per year to a labor union they do not want or need. Workers could be fired for choosing to not pay a union.

Additionally, the PRO Act would reclassify many workers as employees rather than independent contractors—putting at risk the jobs of tens of millions of Americans who enjoy the flexibility of freelancing, gig work, and side hustles.



### Key Points

As independent contractors, Latinos have been able to thrive because we are able to set our own hours and customize our work schedule. Under the global pandemic, this flexibility has also allowed Latinos with children the ability to earn a living while still caring for their children – including those unable to attend inperson school.

Unfortunately, lawmakers in Washington are considering making significant changes to our economy by enacting the PRO Act – legislation that would compel many independent contractors to abide by confining rules and regulations limiting short-term employment opportunities.

SEE PAGE 13 FOR DATA ON HOW THE PRO ACT ATTACKS LATINO WORKERS

OUR CONCERNS WITH THE PRO ACT ARE AS FOLLOWS:



### Invalidate Right-to-Work laws enacted in 27 states.

Right-to-Work gives private sector employees the same freedom as all public employees to choose whether they wish to be members of a union and pay fees out of their hard-earned paychecks. Right-to-Work states have significantly greater employment growth, lower taxes, and higher relative incomes than non-Right-to-Work states.



# Restrict the ability of millions of people to work as independent contractors.

The PRO Act would institute a Californiastyle "ABC" test that also subjects reclassified workers to unionization. The vast majority of independent contractors prefer their existing arrangement to traditional employment, yet the PRO Act reduces workers' ability to control their own schedules and provide services to a broader range of clients as they see fit. Now more than ever because of the COVID-19 pandemic, working parents need flexible work to accommodate childcare and volatile school schedules. In an economic downturn. independent contracting also provides an opportunity to bring income in the door and stay connected to the workforce while transitioning careers.



## Infringe on the privacy of workers.

Employers would be required to provide extensive employee contact information to unions, including workers' home addresses, personal phone numbers, and more. Labor union officials use this information to confront workers anywhere and everywhere, often in intimidating manners due to the leeway they are given in communicating with workers. The PRO Act could also deprive workers of the right to a secret ballot to vote on whether they wish to be represented by a union, subjecting them to further harassment and intimidation from union organizers.



## Repeal the ban on secondary boycotts.

The scope of economic injury that unions can impose would expand massively, subjecting neutral third parties to union harassment during organizing drives. Unions could picket, boycott, and more against any consumer, vendor, supplier, business partner, or other entity that does business with a company the union is attempting to organize.



# Eliminate franchising and contractor-subcontractor arrangements as we know them.

Vague and confusing joint-employer standards would fundamentally change how contractors and subcontractors work together, and even undermine relationships between businesses and vendors, all of which currently create important and accessible opportunities for entrepreneurship.



## Slant organizing efforts heavily in favor of unions.

This bias would come at the expense of employee and employer rights by limiting legal communication, drastically shortening election timeframes to stifle discussion and education opportunities, and limiting the ability of employers to challenge concerning union practices while awarding unions organizing victories without proper elections under certain circumstances.



# Force labor negotiations to be settled through binding arbitrations.

This can lead to mandatory contracts that employers lack resources to meet and that can conflict with the interests of individual employees as well. Employees would not even be able to vote on the terms of these agreements that define their employment terms.



### Eliminate attorneyclient privilege.

This would affect a wide array of communication between employers and legal professionals that they rely on to be educated about representative elections. The PRO Act damages not only the ability of employers to be properly informed but also the ability of employers to communicate with and inform their own employees about workplace matters.



# THE PROACT ATTACKS LATINO WORKERS



According to the <u>Bureau of Labor Statistics</u>, contingent workers, individuals hired by contract for a limited period of time, were more likely to be Hispanic or Latino than white. Contingent workers were also more likely than non-contingent workers to work in construction or extraction jobs.

In 2019, 30.4 percent of construction workers were Hispanic. While not all these workers are independent contractors themselves, many of the companies they do work for are classified as such, meaning the livelihoods of all employees are tied to IC work as well.

There are currently an estimated <u>4.4 million</u> Hispanicowned businesses in the U.S., which contribute an estimated \$700 billion to the economy each year, many of whom utilize independent contracting or are independent contractors themselves.

People earning their primary income as independent contractors made up <u>6.9 percent</u> of total employment in May 2017, with <u>79 percent</u> of respondents preferring their arrangements over a traditional job.



# LATINOS SHOULD REJECT THE PRO ACT

Demand
Continued
Flexibility
and Choice
in the
Workforce

**#SAVEINDEPENDENTWORK** 

Now more than ever we need to ensure that Latinos have the ability to customize their work schedule. We do not need Congress to determine our career, our hours or whom we work for.

Let Congress know that the Latino community rejects the PRO Act!

©2021 Americans for Prosperity. All rights reserved. The LIBRE Initiative and The LIBRE Initiative logo are trademarks and services marks of Americans for Prosperity. Americans for Prosperity and the other organization within the Stand Together community share a common vision, but each organization engages only in those activities consistent with its tax status.