ED & WORKFORCE DEMOCRATS

OPENING STATEMENT

House Committee on Education and Workforce
Ranking Member Robert C. "Bobby" Scott

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Full Committee Markup
H.R. 1319, Modern Worker Empowerment Act
H.R. 1320, Modern Worker Security Act
H.R. 4366, Save Local Business Act
H.R. 4312, SCORE Act
H.R. 4307, Enhancing Detection of Human Trafficking Act
Wednesday, July 23, 2025 | 9:30 a.m.

Thank you, Mr. Chairman.

Mr. Chairman, today, we will consider five bills, four of which I am concerned conflict with the priorities of America's workers. Now, after passing the 'One Big, Ugly Law' which sacrifices the health coverage of over 10 million Americans to pay for tax cuts for the ultra-wealthy, Committee Republicans are now seeking to advance a number of bills which will make it harder for Americans to make ends meet and care for themselves and their families.

The first two bills we will consider, H.R. 1319 and 1320, will create more loopholes for employers to skirt their responsibility to provide fair pay, safe working conditions, and employee benefits.

The H.R. 1319, the so-called *Modern Worker Empowerment Act,* amends the *Fair Labor Standards Act* and the *National Labor Relations Act* to establish a single, and far too narrow, test to determine whether an individual is an independent contractor or employee. By narrowing the scope of the FLSA and NLRA, this bill makes it more difficult for workers who have been misclassified as independent contractors to receive overtime pay, fair wages, and other basic rights under the law.

I cannot overstate the harm this bill could inflict on workers and communities alike. By codifying the pervasive trend of employers misclassifying their employees as independent contractors, this bill strips workers of their basic wage and hour protections and leaves law-abiding businesses at a competitive disadvantage. Independent contractors do not get the same protections as wage and hour employees, such as minimum wage, overtime, unemployment compensation, workers' compensation, access to employee healthcare and benefits, pensions, OSHA protections, and the right to organize. Also, this bill will rob state and local governments of revenue at a time when states must deal with devastating health and food assistance cuts due to President "One Big, Ugly Law."

Next, H.R. 1320, the so-called *Modern Worker Security Act,* fights a problem that does not even exist. It purports to allow businesses to offer some compensation other than cash to their independent contractors without transforming their business relationship into an employment arrangement under any federal law. The problem with that framing is that there is no such problem. There is no law that prohibits companies from offering so-called "portable benefits" to independent contractors, and there is no reason to believe that these benefits would

establish an employee relationship. Meanwhile, this bill actually does nothing to promote the offering of non-cash benefits to contractors.

The National Employment Law Project put it best when it said, "What this bill does do is legitimize a corporate-driven model where savings accounts with meager contributions from corporations are touted as 'portable benefits.' Congress must reject these fake 'portable benefits' proposals, and instead bolster our existing insurance-based portable benefits systems …instead of rolling back labor protections and legitimizing a system where app-based workers must settle for paltry savings accounts instead of actual benefits."

Next, we will consider H.R. 4366*,* the *Save Local Business Act,* which does just the opposite of what its name suggests. By rewriting the rules on who counts as a joint employer, this bill strips workers of protections they have relied on for decades and leaves small businesses responsible for actions taken by a completely different company. If more than one company controls your job, both should be held accountable under the joint employer laws.

This bill lets the real decision-makers off the hook and makes it harder for workers to fight back when they are underpaid, mistreated, or ignored at the bargaining table, and even creates a situation where technically no one could be the employer. Employees, for example, may be able to prove they were not paid overtime, but none of the employers, neither the temp agencies nor the business where they actually work, qualify as the responsible employer. So nobody's on the hook for the fact that employees were not paid overtime because nobody's an employer.

It also continues a troubling trend in Republican policy of late: making child labor violations easier. Congress intentionally used a broad definition of employment in the *Fair Labor Standards Act* because it was borrowing language from early state child labor laws. State lawmakers frequently found that businesses would splinter themselves through contracting and subcontracting to benefit from child labor without penalty. A factory owner might lease the factory to an operator, who in turn would retain an independent contractor to provide workers. But state courts would hold the owners accountable in such schemes by applying the same broad language that the drafters of the FLSA used to define employment. This bill, however, would narrow that definition, turning back the clock to a time when children did not benefit from the broadest possible protection of the law.

Next, we will consider H.R. 4312, the *SCORE Act*, which seeks to regulate college athletics and the "Name, Image, and Likeness marketplace." While we can all agree that Congress needs to step in to protect students from abuse and exploitation, this legislation misses the mark. Instead of holding the revenue-rich NCAA and its Power 4 Conferences accountable, the SCORE Act provides a series of blank checks and bailouts that will not uplift or protect college athletes. This bill imposes obligations without oversight, fails to include concrete protections, and outright bans college athletes from ever having labor and employment protections. This extreme employment ban will only open the door to further exploitation of college athletes and protect athletic departments' bottom lines more than the students they serve. It is a broad stripping of athletes' rights, and it should not be a solution. And whatever rights athletes have under the bill, there's no apparent way for them to enforce those rights. However, there is another solution: if institutions don't want college-athletes to be employees, they shouldn't treat them like employees.

Lastly, we will consider H.R. 4307, the *Enhancing Detection of Human Trafficking Act.* This bipartisan bill, led by you, Mr.Chairman Walberg, and Representative from Georgia, Ms.McBath, ensures the Department of Labor (DOL) continues training staff to spot and report human trafficking. Wage and Hour Division inspectors, for example, have long been trained to identify red flags of human trafficking, including confiscation of identification, withholding documents or pay, restriction of movement or communication of employees, and threats. No one should be forced to work under threats, abuse, or coercion. This proposal will ensure that DOL continues this vital work. I support this proposal, and I encourage my colleagues to do so as well.

However, it is worth noting that this proposal does nothing to protect federal investments in fighting worker exploitation. Given that this Administration is currently seeking to cut staff and resources at the very agencies tasked with stopping human trafficking and has repeatedly made immigrant communities less safe in ways that push victims even further into the shadows, much more is needed. I hope to work with my colleagues across the aisle to do more to protect the programs that stop human trafficking.

For these reasons, Mr.Chairman, I oppose four of the bills, support one of them, and encourage my colleagues to do the same.

Thank you, and I yield back.