



FOR IMMEDIATE RELEASE:

**Anti-Independent Contractor Bill NJ S863: How C-Prong of the ABC Test
Devastates Youth Sports, Start-Ups, and Side Hustles**

Fight for Freelancers New Jersey launches seventh #IRSnotABC video in anti-S863 series

TRENTON, N.J., MARCH 9, 2020 — Fight For Freelancers New Jersey, a nonpartisan, grassroots group of 1,100 independent contractors, creatives, and businesses, has launched the seventh video [in its series](#) urging NJ lawmakers to reject Senate Bill 863 (S863) and instead enact a modern labor law that uses the Internal Revenue Service’s common law test.



The New Jersey bill, S863, which defines employee status, would apply the outdated and regressive ABC Test, developed during the Great Depression, to today’s workforce in a new way. The test’s C prong, which would alter current law, states that an individual must be “customarily engaged in an independently established business or enterprise of the same nature as that involved in the work performed” or else be classified as an employee.

“The C prong would make it illegal for a youth sports referee who might be an accountant or, perhaps, a politician on weekdays, to ref on weekends without being reclassified as an employee and afforded all related benefits,” says Jen Singer, a former travel soccer coach and co-founder

of Fight For Freelancers New Jersey. “But what youth sports program can afford to hire refs as employees for a few hours of work each season?”

S863 — and, specifically, the ABC Test at its center — would virtually wipe out start-ups, “side hustles,” and flexible, part-time work by:

- Making it nearly impossible to be legally considered independent contractors
- Preventing entrepreneurs from launching businesses outside the focus of their day jobs
- Eliminating the freedom to contract for paid projects outside their usual line of work
- Forcing caregivers who choose to work in flexible contract work to look for part-time jobs with less flexibility

The Fight For Freelancers New Jersey video series calls on lawmakers to replace the ABC test with the IRS common law test, which accommodates the whole modern, creative workforce, including the 79% of independent contractors who told the U.S. Bureau of Labor Statistics they want to continue being independent contractors. A similar law, AB5, took effect in California on January 1, 2020 and is wreaking havoc with [schools and recreational sports leagues](#) that can’t afford to convert their contractors to employment status.

“We’ve even seen mall [Santas hired through entertainment agencies lose their seasonal gigs in California](#),” says Gwen Moran, a co-founder of Fight For Freelancers New Jersey. “The law spells disaster for children, parents, entrepreneurs, and independent contractors.”

Vote no on S863 and the outdated ABC test. Vote yes for the modern IRS test

WATCH the new two-minute video at the Fight For Freelancers NJ website:

<https://fightforfreelancers.com/videos/>

#IRSnotABC

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www.fightforfreelancers.com

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