

Bill 5

A California bill, aptly named Assembly Bill 5, is bombarding Uber with a multitude of potential issues. Uber, which currently employs drivers as independent contractors, may fall under the new sanctions which stipulate that companies must make independent contractors into employees as long as the contractors' work is controlled by a company and is the work is company's primary function. Uber is strongly against the bill and plans to bypass the new rules on the basis of a technicality in main objectives.

If Uber loses its fight pertaining to altering drivers' statuses, there will be consequences. Currently, drivers do not receive benefits that include healthcare or receive a base pay for their work. Uber's human resource department will have to add measures to determine benefit packages and base pay for the newly transformed employees. Chapter 13, Pay Structure Decisions, in *Human Resources Management: Gaining a Competitive Edge* touches on the topics of minimum wage, overtime, and existing laws about wages. Uber's HR department would have to abide by the Fair Labor Standards Act (1938) which would incorporate an hourly wage of \$7.25 and overtime pay for workers who exceeded 40 hours a week.

Personally, I feel that Uber is avoiding an inevitable future. Instead of allocating \$30 million, Uber could be using funds to research a plan to change the contractors to employees efficiently and effectively. Money could be placed in programs to make the transitions easier on the company, new employees, and old ones. The article changed my idea of what the scope of what HR is. HR has to successfully adapt to changes internally and externally from the government. If I were Uber, I would've complied with the bill in order to have an easier transition for all those invested in my company.

<https://www.forbes.com/sites/bizcarson/2019/09/11/uber-claims-gig-worker-law-doesnt-apply/#7dd0dbdd265a>