



January 23, 2018

An open letter to leaders in business, labor and government:

## Building a portable benefits system for today's world.

The world of work is changing - driven by technological and economic developments that have reshaped the opportunities and challenges for workers in the twenty-first century. However, the American social safety system, which was designed in the 20th century for a very different economy, has not kept pace with today's workforce.

At a basic level, everyone should have the ability to protect themselves and their loved ones when they're injured at work, get sick, or when it's time to retire.

Leaders across business, labor, and government have publicly recognized the need for action, but a myriad of legal, policy, and political hurdles have - to date - prevented meaningful progress toward a new portable benefits system.

These hurdles will only be overcome when parties are willing to sit down, put aside historical differences, and work together to develop a solution. Furthermore, while we applaud and support efforts at the national level, we believe there is great opportunity to take the first significant steps at the state level. The pursuit of local solutions will expedite the move from the theoretical into the practical, unraveling the thorny issues and beginning to show how a portable benefits system can empower workers and enable technology to meet the growing demand for more flexible, independent forms of work.

For these reasons, we are today coming together in an effort to develop an initial state-level portable benefits system.

## The foundations of a portable benefits system.

We believe that such a system should be underpinned by the following principles:

Flexibility - continuing to deliver reliable economic opportunities that are available for people when they want it and leaving them in control through establishing a system of individual accounts that follow workers and enable them to readily change the nature, structure and intensity of their work while continuing to have access to social benefits or protections

*Proportionality* - ensuring that any new system accounts for differentiated and diverse connections to work through proportional contributions to be developed and determined through an ongoing independent, expert-driven process that recognizes the need to promote a rising standard of living as well as healthy, profitable businesses

*Universality* - build more resilience in our communities by ensuring that any new scheme is universal in its application and supports the movement, growth and development of people across businesses, industries, sectors and life stages regardless of how they get work while providing businesses with legal certainty over their work arrangements

Innovation - promote the development of innovative products and systems that respond to and enhance independent work, establish open platforms to enable all organizations to compete for contributions and create arrangements for social investments from private and public sources





*Independence* - ensure that independence and choice are paramount in the development of any scheme and that organizations act in the best interests of individual members

## A shared commitment to action.

We firmly believe that renewing the social contract is both urgent and important.

We acknowledge that developing a first-of-its-kind scheme will involve business impacts, implications for worker and consumer protection, complexity in market design and regulatory framework and the need for prudential standards.

We commit to undertaking a collaborative process that involves all stakeholders and seeks to understand and account for these through data, evidence and an open process.

We call on business, labor and government in Washington state to join us in this effort, and come together to meet this critically important challenge.

David Rolf, President SEIU 775

Dara Khosrowshahi, CEO Uber Nick Hanauer, Founder Civic Venture Partners