



Testimony of Ross Connolly

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To the Rhode Island House Committee on Labor

March 5, 2026

RE: Americans for Prosperity Support to H.B. 7365: An Act Relating to Labor and Labor Relations – Portable Benefit Plan

Dear Chair Corvese, Vice Chair Messier, Vice Chair Alzate, and Members of the House Committee on Labor,

On behalf of Americans for Prosperity–Rhode Island, I urge you to support H.B. 7365, legislation that would allow self-employed workers to open voluntary, portable benefits accounts for eligible benefits.

Americans for Prosperity supports policies that expand opportunities for self-employment and flexible work arrangements. Independent work allows individuals to chart their own career success and build lives that fit their personal and professional needs. Research consistently shows that self-employed workers report higher satisfaction with their work arrangements than traditional employees.¹ In fact, the Bureau of Labor Statistics recently found that only about 8 percent of independent contractors would prefer a traditional employment relationship.²

Despite the strong preference among many workers for independent work, access to affordable benefits remains a challenge. Independent contractors often face barriers when seeking benefits such as health insurance and retirement savings.

Independent Workers Face Gaps in Access to Benefits – Data from the Bureau of Labor Statistics shows that independent contractors are significantly less likely to have health insurance than traditional employees.³ Research on ride-share drivers has also found that more than half obtain health insurance through a spouse’s coverage rather than through their own

¹<https://www.upwork.com/research/freelance-forward-2022>

²<https://www.bls.gov/news.release/conemp.nr0.htm#:~:text=As%20in%20prior%20surveys%2C%20independent,remainder%20expressed%20no%20clear%20preference.>

³[https://www.bls.gov/news.release/conemp.nr0.htm#:~:text=In%20July%202023%2C%2084.9%20percent,independent%20contractors%20\(74.2%20percent\)](https://www.bls.gov/news.release/conemp.nr0.htm#:~:text=In%20July%202023%2C%2084.9%20percent,independent%20contractors%20(74.2%20percent))

work arrangements.⁴ These gaps highlight the need for policy solutions that enable independent workers to access affordable, portable benefits without altering their employment classification.

Portable Benefits Expand Flexibility Without Changing Worker Classification – H.B. 7365 addresses this issue by allowing the creation of voluntary portable benefits accounts administered by third parties. Self-employed workers can open these accounts and use them to purchase benefits such as health coverage, retirement savings products, or other benefits designed for independent workers.

Importantly, this legislation does not change the classification of independent contractors or create new employment relationships. Instead, it establishes a framework that allows benefits to follow workers across jobs, contracts, and clients—providing flexibility while maintaining the independence that many workers value. Hiring parties could voluntarily contribute to these accounts if workers choose, helping expand access to benefits without imposing mandates or regulatory burdens.

Supporting Economic Opportunity for Self-Employed Rhode Islanders – By creating a pathway for portable benefits accounts, H.B. 7365 would help self-employed workers across Rhode Island access benefits that have historically been difficult to obtain outside traditional employment. The legislation would allow independent workers to maintain the flexibility they value while gaining improved access to health coverage, retirement savings, and other benefits.

Americans for Prosperity—Rhode Island strongly urges the committee to support H.B. 7365 and expand access to benefits for the growing number of Rhode Islanders choosing independent work.

Sincerely,

Ross Connolly

Northeast Regional Director

Americans for Prosperity

⁴https://www.nber.org/system/files/working_papers/w29736/w29736.pdf