



POSITION STATEMENT

Professional Consultant Market Regulation

**Approved by the IEEE-USA
Board of Directors (14 February 2020)**

Simply applying 20th Century labor rules to 21st Century jobs is not good policy, and that includes taking steps to force consultants into conventional working relationships. A more nuanced and responsive approach that takes into consideration worker preferences when regulating job contracts is necessary to bring labor laws up to date in support of a 21st Century economy.

This is especially true for technology industries. IEEE members are highly trained, specializing in very specific areas of technology that companies need access to, but do not necessarily require on a full-time basis. IT companies and professionals have developed methods to utilize consultants and other non-traditional forms of employment more effectively than most other parts of the economy. Creative hiring practices help make the U.S. technology sector so dramatically innovative and productive. America needs to protect these practices if we are to remain the world's innovation leader. IEEE-USA believes that state or federal laws seeking to regulate contract labor in the gig labor economy should allow for continuation of legitimate consulting arrangements, based on the following basic principles:

- All consulting jobs should involve written contracts, signed by both parties.
- Consultants should have the freedom to work anywhere and anytime they wish, unless the nature of the job dictates otherwise.
- Consultants should be free to negotiate their hours and pay rates.
- Consultants should be free to work for as many clients simultaneously as they wish providing there is no conflict of interest, including working for just one client as long as the consultant has the contractual right to work for more than one.
- Consultants should maintain a formal business location, which could be their primary residence.

Additionally, it is important within the technology space that consultants be allowed to work for companies that do work similar to the work being performed by the consultants. For example, software companies routinely hire highly specialized software consultants to implement particularly complex software algorithms, or to augment the company's regular workforce while finishing urgent projects. This practice is standard and an entirely appropriate business strategy that allows technology companies to rapidly increase their staff to take advantage of new opportunities, that helps companies gain access to world-leading talent that they wouldn't otherwise be able to afford, and that improves labor market conditions and flexibility.

This statement was developed by the IEEE-USA and represents the considered judgment of a group of U.S. IEEE members with expertise in the subject field. IEEE-USA advances the public good, and promotes the careers and public policy interests of the more than nearly 170,000 engineering, computing and allied professionals, who are U.S. members of the IEEE. The positions taken by IEEE-USA do not necessarily reflect the views of IEEE, or its other organizational units.