

Why Workers Need Real Portable Benefits

Portable benefits are benefits that a person accrues by working and that follow the person from job to job; they are not tied to a particular employer. Portable benefits programs are usually funded by pooling contributions from employers and other businesses that engage with workers. Many operate as insurance programs that pool risk to cover costly emergencies, such as job loss or disability. Social Security, unemployment insurance, and some states' paid leave programs are common examples. Some workers who work multiple jobs or "gigs" have union-negotiated portable benefits.

Portable benefits increase worker mobility and bargaining power because they empower workers to leave one job for a better one without losing accrued benefits. They help people weather life's ups and downs and enhance their economic security over the long term.

Recently, app-based corporations have co-opted the term "portable benefits" for corporate programs that are neither "portable" nor "benefits." Corporations like Uber, Lyft, DoorDash, and Amazon classify their app-based workers as independent contractors in part so they can avoid providing employment-based benefits like workers' compensation, unemployment insurance, paid leave, and health insurance. Responding to worker demands for better working conditions and benefits, the corporations are offering stingy, second-rate stipends or savings accounts for app-based workers and calling them "portable benefits."¹ Instead of legitimizing these fake portable benefits programs, policymakers should be bolstering and expanding insurance-based portable benefits systems and ensuring those benefits are available to everyone who works for someone else, including app-based workers.

DoorDash's Fake 'Portable Benefits' Program

In 2024, DoorDash implemented what it calls a "portable benefits savings pilot" program in Pennsylvania for its app-based delivery workers.² By classifying its delivery workers as independent contractors, DoorDash denies them employment-based benefits like paid time off, health insurance, and 401ks that DoorDash's corporate employees receive. The company does not contribute to existing employer-funded portable benefits programs like unemployment insurance and Social Security for its delivery workers either. DoorDash's portable benefits savings pilot program allows eligible delivery workers to set up savings accounts with a financial technology company called Stride LLC.³ Funds in the savings accounts can be used for any purpose, including to pay for healthcare expenses and paid time off. In January 2025, DoorDash announced that it is expanding the program to Georgia.

The program is rife with problems:

- App-based delivery workers earn poverty wages, which makes saving money in a portable benefits account nearly impossible. According to [one study](#), app-based delivery workers' **gross earnings average \$8.96 per hour before tips** and \$18.94 per hour after tips. Delivery worker net pay (which accounts for expenses like gas and vehicle wear-and-tear) is only 48 cents per hour before tips and \$9.87 per hour after tips.⁴ [DoorDash's report](#) on the Pennsylvania portable benefits savings pilot program confirms that individual contributions to savings accounts have been very small. With 4,400 workers enrolled in the program, individual contributions totaled \$27,194—an average contribution of \$6 per worker.⁵
- DoorDash contributes **a meager 4 percent of delivery workers' pre-tip earnings** to eligible workers' savings accounts. [Assuming average gross earnings of \\$8.96](#) per hour before tips, a delivery driver working 20 hours per week would receive \$7 per week from DoorDash to cover significant costs like health care and paid time off. The \$7 per week estimate is in line with DoorDash's report about the Pennsylvania program, in which it disclosed that **its average monthly contribution to each worker's account in 2024 was only \$31**.⁶
- **Paltry savings accounts are no substitute for insurance-based benefits.** Insurance-based portable benefits systems (unemployment insurance, Social Security Disability insurance, and Medicare) and other insurance-based benefits (workers' compensation and employer-provided health insurance) pool risk. These insurance programs provide funds that help working people weather emergencies—such as loss of employment or serious injury or illness—that would otherwise be financially catastrophic. Insurance-based benefits are especially critical to DoorDash delivery workers because of the significant health and safety risks, such as vehicle accidents, that make delivery work among the most dangerous in the country.⁷ DoorDash's 4 percent pre-tip contribution to a savings account is no substitute for real insurance-based benefits.

DoorDash claims that it wants to fix the problem of delivery workers' lack of benefits, but this is a problem entirely of DoorDash's making. DoorDash insists on calling its delivery workers independent contractors, deliberately excluding them from the real portable and employer-linked benefits they would be entitled to as employees. DoorDash legitimizes a paltry savings program as a substitute for true portable benefits, and gives itself a carve-out from programs other employers contribute to.

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Traditional 'Gig' Workers Enjoy Real Portable Benefits

Many workers in occupations where the work is comprised of serial "gigs"—such as writers, construction workers, and actors—enjoy union-negotiated portable benefits plans. These plans allow workers to accrue benefits during each "gig" worked, with each employer pooling contributions ("multiemployer plans"). The

chart below compares a multiemployer benefits plan (the Producers-Writers Guild of America Pension & Health Plan⁸) with DoorDash’s so-called portable benefits plan.

	Producers-Writers Guild of America Pension & Health Plan	DoorDash “portable benefits” plan
Employer/contracting entity contribution	<p>Minimum of 11.25% of gross compensation towards pension plan.⁹</p> <p>Minimum of 11.5% of gross compensation towards health fund.¹⁰</p>	4% of pre-tip earnings towards savings account.
Type of benefit	<p>Pension plan organized as a trust and administered by 36 directors, 18 of whom are appointed by participating studios and 18 of whom are appointed by the union.¹¹</p> <p>Health fund organized as a trust and administered by 36 trustees, 18 of whom are appointed by participating studios and 18 of whom are appointed by the union.¹²</p>	<p>Savings account with Stride LLC.</p> <p>Cash in a savings account that can be used for any purpose, including healthcare expenses and paid time off.</p>
Covered workers	Writers working for over 100 producing companies represented by the Alliance of Motion Picture and Television Producers (Inc.) ¹³ who earned at least \$41,000 within four consecutive calendar quarters.	Delivery workers working for DoorDash who meet eligibility requirements (completing at least 100 deliveries and earning at least \$1,000 before tips during a three-month time frame) and agree to set up savings account. ¹⁴

Corporate-Backed Legislation to Legitimize Fake ‘Portable Benefits’ Schemes

DoorDash and other app-based corporations are lobbying state legislatures and Congress for legislation that would legitimize their fake “portable benefits” schemes. In Pennsylvania, for example, DoorDash has backed a bill that would classify app-based ridehail and delivery workers as independent contractors under Pennsylvania law, legally excluding them from state benefits programs like workers’ compensation and unemployment insurance.¹⁵ The bill would also enshrine a so-called portable benefits program for app-based ridehail and delivery workers into law that is strikingly similar to DoorDash’s Pennsylvania portable benefits savings pilot program.¹⁶

The appendix at the end of this fact sheet contains a chart listing the types of corporate-backed “portable benefits” bills being introduced across the country.

Principles for True Portable Benefits Programs

Policymakers exploring new or additional benefits for workers should look to the strong portable benefits models discussed above, including unemployment insurance, Social Security, and union-negotiated multiemployer plans, as examples. The following principles—which are informed by principles for worker-centered benefits programs developed by former Department of Labor officials¹⁷—should guide policymakers’ development of portable benefits:

Universally accessible: All working people—regardless of where and for whom they work and how they are classified—should have access to the portable benefits program.

Equitable coverage: Portable benefits programs should improve equity in workers’ coverage, access, and use of benefits, especially among underserved communities, including women, people of color, immigrants, part-time workers, low-income workers, and workers with non-traditional work histories.

Easy access: Programs should minimize burdens on workers in eligibility, application, and review, with “opt out” defaults rather than cumbersome applications. Information on portable benefits should be widely available in workers’ primary language.

Meaningful benefits: Portable benefits should be generous enough to meet workers’ needs. Benefits allocation details, such as wage replacement and duration, should be structured progressively, so that low-income workers and workers in part-time jobs or jobs with inconsistent schedules receive meaningful benefits. Benefits intended to provide support for costly emergencies, such as job loss, disability, or serious illness, should be structured as insurance programs that pool risk.

Employer or pooled funding: Portable benefits programs should not be funded by workers themselves, many of whom make poverty wages and could be forced to choose between funding their benefits and meeting their basic needs. Instead, benefits programs should be primarily financed by businesses that depend on the workers’ labor. [Multiemployer pension, health, and welfare plans](#) are models of benefits plans that provide portable benefits based on pooled employer funding.

Portability: Workers should be able to retain and transfer their earned benefits when they change jobs, start a new business, or are temporarily unemployed.

Worker representation: Workers should be represented in the design and administration of portable benefits programs.

Strict fiduciary duties to participants: Entities that have control or authority over portable benefits programs’ assets or management must have a fiduciary duty to worker participants and their beneficiaries. This will ensure that these entities act solely in the interest of participants and their beneficiaries and for the exclusive purpose of providing benefits and paying program expenses.

Appendix

Corporate-Backed ‘Portable Benefits’ Bills Introduced in 2025

Federal & State Bills and Bill Numbers	Bill Provision	Implications & Harms
All bills listed below	Allows independent contractors to open “portable benefits” accounts to fund the purchase of workplace benefits.	Gives corporations the authority to do something they can already do – contribute to worker benefits.
Alabama (HB 142) Arkansas (SB 235) Florida (SB 1130) Massachusetts (HD 4210) Tennessee (HB 0494) West Virginia (SB 714)	Defines “portable benefits account” as an account opened by an independent contractor and used to fund the purchase of benefits that is administered by a portable benefits account provider.	Defines “portable benefits” narrowly to mean a particular type of savings program for independent contractors only.
Modern Worker Security Act (House of Representatives bill) Alabama (HB 142) Arkansas (SB 235) Florida (SB 1130) Hawaii (1290) Tennessee (HB 0494) Virginia (SB 1276) West Virginia (HB 2852) West Virginia (SB 714)	States that a hiring entity’s contribution to a worker’s portable benefits account cannot be considered evidence of an employment relationship.	Prohibits consideration of evidence relevant to employer/employee relationship. Makes it easier for corporations to legally classify workers as independent contractors excluded from employment rights and protections.
Florida (SB 1130) Massachusetts (HD 4210)	Broadens the definition of an independent contractor (a nonemployee).	Makes it easier for corporations to legally classify workers as independent contractors excluded from employment rights and protections.

Endnotes

- ¹ Shelly Steward, Portable Benefits Discourse Distracts from Gig Companies' Power Play, Aspen Institute, May 26, 2021, <https://www.aspeninstitute.org/blog-posts/portable-benefits-discourse-distracts-from-gig-companies-power-play/>.
- ² DoorDash, Pennsylvania Portable Benefits Savings Pilot, https://help.doordash.com/dashers/s/article/Pennsylvania-Portable-Benefits-Savings-Pilot?language=en_US.
- ³ *Id.*
- ⁴ Ken Jacobs, Michael Reich, Tynan Challenor & Aida Farmand, UC Berkeley Labor Center & Center on Wage Employment Dynamics, *Gig Passenger and Delivery Driver Pay in Five Metro Areas*, May 2024, [Gig Passenger and Delivery Driver Pay in Five Metro Areas](#).
- ⁵ Nam D. Pham, A Promising New Approach to App-Based Work: DoorDash's Portable Benefits Savings Pilot Program in Pennsylvania. NDP Analytics, December 2024, at 6.
- ⁶ The average monthly contribution was \$33.36 in August, \$30.87 in September, and \$28 in October. *Id.* at 5.
- ⁷ Workers in the transportation and material moving occupations (which include delivery drivers) represented the occupational group with the most fatalities in 2023. U.S. Dep't of Labor, Bureau of Labor Statistics, News Release, National Census of Fatal Occupational Injuries in 2023, at 3, <https://www.bls.gov/news.release/pdf/cfoi.pdf>.
- ⁸ [PWGA Pension & Health | PWGA Pension & Health](#).
- ⁹ Writers Guild of America 2020 Theatrical and Television Basic Agreement, effective May 2, 2020 through May 1, 2023. At 250-51. There are some exceptions to the minimum contributions amounts. For writing services on pilots and the first season of any one-hour series, the contribution amount is 9.75% effective May 2, 2022. [Writers Guild of America 2020 Theatrical and Television Minimum Basic Agreement](#).
- ¹⁰ Writers Guild of America 2020 Theatrical and Television Basic Agreement, effective May 2, 2020 through May 1, 2023, at 256.
- ¹¹ Writers Guild of America 2020 Theatrical and Television Basic Agreement, effective May 2, 2020 through May 1, 2023, at 253.
- ¹² Writers Guild of America 2020 Theatrical and Television Basic Agreement, effective May 2, 2020 through May 1, 2023, at 257.
- ¹³ See the list of participating producers on pages 3-7. Writers Guild of America 2020 Theatrical and Television Basic Agreement, effective May 2, 2020 through May 1, 2023.
- ¹⁴ Nam D. Pham, A Promising New Approach to App-Based Work: DoorDash's Portable Benefits Savings Pilot Program in Pennsylvania. NDP Analytics, December 2024, at 3.
- ¹⁵ DoorDash letter to House Committee on Labor & Industry, June 20, 2024, https://www.legis.state.pa.us/WU01/LI/TR/Transcripts/2024_0733_0009_TSTMNY.pdf.
- ¹⁶ Senate Bill 967 (2023-24 session), <https://www.palegis.us/legislation/bills/2023/sb967>.
- ¹⁷ Center for Labor & A Just Economy, Principles for Worker-Centered Benefits Programs, Feb. 10, 2025, <https://clje.law.harvard.edu/principles-for-worker-centered-benefits-programs/>.