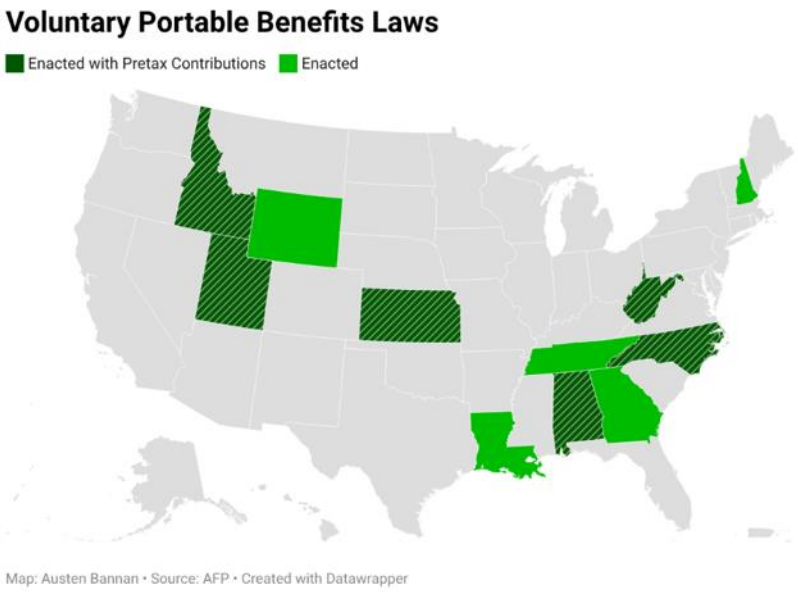
PORTABLE BENEFITS FOR AMERICA'S INDEPENDENT WORKFORCE

WHY VOLUNTARY PORTABLE BENEFITS?

America's benefits system was largely built around traditional employment, leading to a reality where workers typically receive health care and other benefits from a single employer or seek expensive options independently. Portable benefits, however, are centered around workers instead of businesses. Portable benefits accounts allow benefits to move with workers throughout their careers. Contributions may come from multiple sources while the accounts remain worker-owned, and providers can offer new benefits opportunities to the independent worker community that are more affordable and accessible.

When implemented, portable benefits advance worker choice, opportunity, and access in the modern, dynamic economy workers must succeed in.

11 states have enacted voluntary portable benefits reforms through 2026



OPPORTUNITY ACROSS THE STATES

According to Mercatus and the U.S. Bureau of Labor Statistics (BLS), more than 30 million Americans work as freelancers, contractors, and other self-employed workers for primary income, generating approximately $1.5 trillion annually in revenue and sales. Some sources estimate that over 70 million workers do at least some amount of freelancing annually. This includes working mothers as they raise children, people with disabilities, and aspiring entrepreneurs launching new career pathways.

THE BENEFITS GAP

Independent workers face reduced access to affordable health insurance, retirement benefits, and paid leave. Independent contractors were approximately 11% less likely to have health insurance coverage than traditional employees according to a BLS survey.

WORKERS WANT BOTH FLEXIBILITY AND BENEFITS

Over 80% of self-employed workers prefer remaining independent while only 8.2% prefer traditional W-2 work, and over 80% of self-employed workers would like access to portable benefits.

HOW WORKERS BENEFIT

- Accounts and benefits stay with workers no matter where they are earning income
- Contributions can come from multiple sources including the workers themselves and clients they provide services to
- Improved access to health care, retirement, paid leave, and other benefits through the accounts as well as through benefits providers who innovate for the self-employed community and offer new products
- Potential direct savings when allowing pre-tax contributions

WHAT GOOD PORTABLE BENEFITS ACCOUNT POLICY LOOKS LIKE

- Preserve worker choice and flexibility through voluntary participation
- Ensure true portability – worker-owned accounts
- Provide legal certainty for workers, business clients, and others to contribute to accounts without threat of reclassifying workers into an employee status they don't want
- Encourage innovation for providers to offer benefits to workers

PRIMARY DATA SOURCES

- Mercatus Center: Bringing Portable Benefits to America's Independent Workforce
- U.S. Bureau of Labor Statistics: Contingent Worker Supplement and benefits-access data
- Upwork Research Institute: Freelancing Statistics 2026.