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**NATIONAL HOUSECLEANING GIANT CLOSES ONE DAY AFTER
US DEPARTMENT OF LABOR RULING ON MISCLASSIFICATION OF CONTRACT WORKERS**
New Infographic Explains Why Using Independent Contractors Puts Consumers at Risk

ATLANTA – Just one day after the US Department of Labor published updates to federal classifications clarifying its definitions of employees versus independent contractors, one key player in the new “gig economy” bows out. HomeJoy, a click-to-consume app-driven company that pairs house cleaning providers with consumers in need, conceded its bid to revolutionize the home services industry in a press release issued July 17th, saying the outfit will shutter operations effective July 31. The quick exit is seen by cleaning industry insiders as a harbinger of more backlash against companies that outsource home services to contract laborers. These companies sub-contract their work, usually to individuals, in an effort to control expenses and maximize shareholder earnings. The problem is, this model thrives at the expense of the worker and the consumer. A new [infographic](#) sponsored by national housecleaning service [Maid Brigade](#) illustrates the 5 biggest pitfalls a consumer faces when hiring a house cleaning company that sends independent contractors to do the work.

When Injury Occurs

HomeJoy and other companies using contract labor are able to avoid many large expenses required of companies with true employees on the payroll, most notably worker’s comp insurance. It is assumed that the contractor maintains his or her own policies however in reality many contract workers forego such a major expense, instead gambling against the odds of injury on the job. “In the unfortunate event that injury does occur, contract cleaning workers may seek (and get) medical reimbursement from the owners of the home they were cleaning when the injury took place,” warns Bart Puett, president of Maid Brigade.

Tax Liability

Homeowners may also be liable for Social Security, Medicare and unemployment taxes and penalties for the contract workers who do not make accurate and timely payments to the IRS each quarter themselves. Since the contract worker is not employed by the housecleaning company that dispatched them, the IRS may deem that the homeowner is the employer of that cleaner and therefore responsible for these taxes. The risk of finding a surprise tax bill in the mailbox is slim for most consumers who have cleaning help but the fees and penalties can be costly, not to mention the professional and social stigma that accompanies real or perceived tax evasion.

Don’t Get Taken to the Cleaners

Ernie Hartong, CEO of the Association for Residential Cleaning Services International (ARCSI), advises homeowners seeking help with house cleaning to do their homework. “Homeowners should do their due diligence before hiring a house cleaner or professional cleaning service. To avoid the pitfalls that can occur when someone is working in your home, ask to see a copy of the company’s business license and insurance policy before hiring,” cautions Hartong. “A professional company should gladly provide these to any consumer who asks.”



About Maid Brigade

Headquartered in Atlanta, Maid Brigade is the only house cleaning service that is Green Clean Certified® with more than 400 franchise service areas in the United States and Canada. Established in 1979, Maid Brigade is the green cleaning industry leader and has a longstanding legacy of providing quality customer service and consistent and thorough cleaning using the most advanced techniques and equipment. The company has also implemented a consumer advocacy program in response to reports from the Environmental Protection Agency linking chemicals in traditional cleaning products to a wide range of health risks. All Maid Brigade cleaning professionals are employees of the company not independent contractors. For more information visit www.maidbrigade.com or call 866-800-7434.

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