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Union Calendar No. 420

119TH CONGRESS
2D SESSION

H. R. 3495

[Report No. 119–494]

To amend the Fair Labor Standards Act of 1938 to clarify the definition of employee as it relates to direct sellers and real estate agents, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2025

Mr. KILEY of California (for himself and Mr. CUELLAR) introduced the following bill; which was referred to the Committee on Education and Workforce

FEBRUARY 11, 2026

Additional sponsors: Mr. CARBAJAL, Mr. VAN DREW, Mr. FONG, Mr. SUOZZI, Mr. MOORE of Utah, Mr. BERGMAN, Mr. MORAN, Mr. ALFORD, Mr. SHERMAN, Mr. MOOLENAAR, Mr. COSTA, Mr. HUDSON, Mr. MANN, Mr. COLE, Mr. VALADAO, Mrs. MCCLAIN, Mr. GARCIA of California, Mr. OWENS, Mrs. KIM, Mr. SWALWELL, Mr. MESSMER, Ms. SCHOLTEN, Mr. CALVERT, Mr. SOTO, Mr. THOMPSON of California, Mr. BAUMGARTNER, Mr. MCGUIRE, Mr. CRANK, Mr. FINSTAD, and Mr. HARDER of California

FEBRUARY 11, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on May 19, 2025]

A BILL

To amend the Fair Labor Standards Act of 1938 to clarify the definition of employee as it relates to direct sellers and real estate agents, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Direct Seller and Real Estate Agent Harmonization Act".

SEC. 2. DEFINITION OF EMPLOYEE.

Section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) is amended by inserting after paragraph (5) the following:

"(6) The term 'employee' does not include any direct seller or qualified real estate agent (as such terms are defined in section 3508(b) of the Internal Revenue Code of 1986).".

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