

SENATE BILL No. 289

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8.1-3-21.3; IC 22-1-1-23; IC 22-3-1-6; IC 22-4-19-16.

Synopsis: Reporting on worker misclassification. Requires the department of state revenue, the state department of labor, the worker's compensation board of Indiana, and the department of workforce development to report before November 1 of each year for three years, beginning November 1, 2019, to the interim study committee on employment and labor for the immediately preceding state fiscal year: (1) the number of employers that each department or the board determined during the immediately preceding state fiscal year improperly classified at least one worker as an independent contractor; (2) the total number of improperly classified workers employed by those employers; (3) the department's or board's estimate of the revenue not collected or the additional costs to the state that the department or board attributes to the improperly classified workers; and (4) the amount of the penalties and interest assessed against those employers by each department or the board, and the amount of the penalties and interest assessed that has been collected. Requires that the reports include only information in the form of aggregate statistics and not include information that can be used to identify specific employers or workers.

Effective: July 1, 2019.

Niezgodski

January 7, 2019, read first time and referred to Committee on Pensions and Labor.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 289

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-8.1-3-21.3 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2019]: **Sec. 21.3. (a) The department shall**
4 **report before November 1 of each year to the interim study**
5 **committee on employment and labor (established under**
6 **IC 2-5-1.3-4) for the immediately preceding state fiscal year:**
7 (1) **the number of employers that the department determined**
8 **during the immediately preceding state fiscal year improperly**
9 **classified at least one (1) worker as an independent**
10 **contractor;**
11 (2) **the total number of improperly classified workers**
12 **employed by the employers described in subdivision (1);**
13 (3) **an estimate of the revenue not collected by the state that**
14 **the department attributes to the improperly classified**
15 **workers; and**
16 (4) **the amount of the penalties and interest assessed against**
17 **the employers described in subdivision (1) by the department,**



1 and the amount of the penalties and interest assessed that has
2 been collected.

3 **(b) The information required by subsection (a)(1) through (a)(4)**
4 **must be in the form of aggregate statistics. The report must not**
5 **include information that can be used to identify specific employers**
6 **or workers.**

7 **(c) This section expires December 31, 2021.**

8 SECTION 2. IC 22-1-1-23 IS ADDED TO THE INDIANA CODE
9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
10 1, 2019]: **Sec. 23. (a) The department of labor shall report before**
11 **November 1 of each year to the interim study committee on**
12 **employment and labor (established under IC 2-5-1.3-4) for the**
13 **immediately preceding state fiscal year:**

14 **(1) the number of employers that the department of labor**
15 **determined during the immediately preceding state fiscal year**
16 **improperly classified at least one (1) worker as an**
17 **independent contractor;**

18 **(2) the total number of improperly classified workers**
19 **employed by the employers described in subdivision (1);**

20 **(3) an estimate of the revenue not collected by the state that**
21 **the department of labor attributes to the improperly classified**
22 **workers; and**

23 **(4) the amount of the penalties and interest assessed against**
24 **the employers described in subdivision (1) by the department**
25 **of labor, and the amount of the penalties and interest assessed**
26 **that has been collected.**

27 **(b) The information required by subsection (a)(1) through (a)(4)**
28 **must be in the form of aggregate statistics. The report must not**
29 **include information that can be used to identify specific employers**
30 **or workers.**

31 **(c) This section expires December 31, 2021.**

32 SECTION 3. IC 22-3-1-6 IS ADDED TO THE INDIANA CODE
33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
34 1, 2019]: **Sec. 6. (a) The worker's compensation board shall report**
35 **before November 1 of each year to the interim study committee on**
36 **employment and labor (established under IC 2-5-1.3-4) for the**
37 **immediately preceding state fiscal year:**

38 **(1) the number of employers that the worker's compensation**
39 **board determined during the immediately preceding state**
40 **fiscal year improperly classified at least one (1) worker as an**
41 **independent contractor;**

42 **(2) the total number of improperly classified workers**



1 employed by the employers described in subdivision (1);
 2 (3) an estimate of the additional costs to the state that the
 3 worker's compensation board attributes to the improperly
 4 classified workers; and
 5 (4) the amount of the penalties and interest assessed against
 6 the employers described in subdivision (1) by the worker's
 7 compensation board, and the amount of the penalties and
 8 interest assessed that has been collected.

9 (b) The information required by subsection (a)(1) through (a)(4)
 10 must be in the form of aggregate statistics. The report must not
 11 include information that can be used to identify specific employers
 12 or workers.

13 (c) This section expires December 31, 2021.

14 SECTION 4. IC 22-4-19-16 IS ADDED TO THE INDIANA CODE
 15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 16 1, 2019]: Sec. 16. (a) The department shall report before November
 17 1 of each year to the interim study committee on employment and
 18 labor (established under IC 2-5-1.3-4) for the immediately
 19 preceding state fiscal year:

20 (1) the number of employers that the department determined
 21 during the immediately preceding state fiscal year improperly
 22 classified at least one (1) worker as an independent
 23 contractor;

24 (2) the total number of improperly classified workers
 25 employed by the employers described in subdivision (1);

26 (3) an estimate of the additional costs to the state that the
 27 department attributes to the improperly classified workers;
 28 and

29 (4) the amount of the penalties and interest assessed against
 30 the employers described in subdivision (1) by the department,
 31 and the amount of the penalties and interest assessed that has
 32 been collected.

33 (b) The information required by subsection (a)(1) through (a)(4)
 34 must be in the form of aggregate statistics. The report must not
 35 include information that can be used to identify specific employers
 36 or workers.

37 (c) This section expires December 31, 2021.

