

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** SB879

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input checked="" type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** Puckett

**3. Committee:** General Laws

**4. Title:** Employee Misclassification Task Force.

**5. Summary:** Establishes the Employee Misclassification Task Force to, among other things, develop, and recommend legislation to provide a clear and consistent definition of "employee," to ensure conformance with relevant federal tax laws. The provisions of the bill shall expire on July 1, 2018.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See item 8, below.

**8. Fiscal Implications:** The task force will be comprised of the Secretary of Commerce and Trade, the Director of the Department of Human Resources Management, the Tax Commissioner, the Commissioner of the Department of Labor and Industry, or their designees, and representatives of the Virginia Employment Commission, and the Virginia Workers' Compensation Commission, or their designees. Each of these agencies may incur costs in fulfilling their responsibilities under the provisions of the bill; however, any costs are expected to be minimal and absorbable within existing resources.

Some factors associated with changing classification may increase costs and others may decrease costs to the Commonwealth, but the overall impact of defining "employee" is unknown.

**9. Specific Agency or Political Subdivisions Affected:** Secretary of Commerce and Trade, Department of Human Resources Management, Department of Taxation, Department of Labor and Industry, Virginia Employment Commission, and the Virginia Workers' Compensation Commission,

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/27/13

**Document:** G:/tmw/2013 Session/Legislation/SB879.docx

