

Department of Planning and Budget

2020 Fiscal Impact Statement

1. Bill Number: SB894

House of Origin	☐ Introduced	☐ Substitute	☐ Engrossed
Second House	☐ In Committee	☐ Substitute	☒ Enrolled

2. Patron: Saslaw

3. Committee: Passed Both Houses

4. Title: Misclassification of workers; cause of action.

5. Summary: This bill authorizes an individual who has not been properly classified as an employee to bring a civil action for damages against his employer for failing to properly classify the employee if the employer had knowledge of the individual's misclassification. The court may award damages in the amount of any wages, salary, employment benefits, including expenses incurred by the employee that would otherwise have been covered by insurance, or other compensation lost to the individual, a reasonable attorney fee, and the costs incurred by the employee in bringing the action. The measure provides that an individual who performs services for a person for remuneration shall be presumed to be an employee unless it is shown that the individual is an independent contractor as determined under the Internal Revenue Service guidelines.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final, see item 8.

8. Fiscal Implications: The Department of Labor and Industry (DOLI) indicates that it does not have enforcement responsibilities associated with this bill. However, the agency anticipates that this bill will result in a workload impact related to fielding calls regarding the requirements provided in the bill, which can be absorbed.

9. Specific Agency or Political Subdivisions Affected: Department of Labor and Industry; courts.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion to HB 984.