

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB416

Chairperson: Senator John Stinner

Committee: Appropriations

Date of Hearing: February 24, 2017

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The Employee Classification Act was passed in 2010 with the intent to help address the problem of employee misclassification. Employee misclassification occurs when a worker is improperly paid by an employer as an independent contractor rather than as an employee. This means that the worker is then ineligible for employer provided health insurance, unemployment and workers' compensation benefits, and labor law protections, among other problems. Unfortunately, this type of misclassification still happens far too often, especially to workers who do not speak English as their first language. The Department of Labor does not currently have the resources it needs to address this problem and fully enforce current law.

LB416 would provide funding in the amount of \$250,000 from the Employment Security Special Contingent Fund for each fiscal year of the biennium for the Department of Labor to employ bilingual investigators to fully enforce the Employee Classification Act.

Principal Introducer: _____

Senator Tony Vargas