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H.220

Introduced by Representatives O’Sullivan of Burlington, Anthony of Barre  
City, Christie of Hartford, Cina of Burlington, Cordes of  
Lincoln, Donovan of Burlington, Hill of Wolcott, Hooper of  
Burlington, Macaig of Williston, Patt of Worcester, Sullivan of  
Burlington, and Walz of Barre City

Referred to Committee on

Date:

Subject: Labor; workers’ compensation; unemployment insurance; employee  
misclassification

Statement of purpose of bill as introduced: This bill proposes to permit the  
Attorney General to enforce complaints of employee misclassification under  
the workers’ compensation and unemployment insurance laws.

An act relating to employee misclassification

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 712 is added to read:

§ 712. COMPLAINT OF MISCLASSIFICATION; ENFORCEMENT BY  
ATTORNEY GENERAL

(a) In addition to any other remedies provided under this chapter, an  
individual who is misclassified by an employer or harmed by an employer’s

1 misclassification of an employee as an independent contractor may file a  
2 complaint with the Attorney General of the misclassification and any related  
3 violations of the provisions of this chapter.

4 (b) The Attorney General shall investigate the complaint and may enforce  
5 the provisions of this chapter by restraining prohibited acts, seeking civil  
6 penalties, obtaining assurances of discontinuance, and conducting civil  
7 investigations in accordance with the procedures established in 9 V.S.A.  
8 §§ 2458–2461 as though the misclassification of an employee and any related  
9 violations of the provisions of this chapter were unfair acts in commerce.

10 (c) If, following the investigation, the Attorney General determines that an  
11 employee has been misclassified as an independent contractor, the Attorney  
12 General shall notify the Commissioners of Labor, of Financial Regulation, and  
13 of Taxes of the determination, and those Commissioners shall review whether  
14 the employer is in compliance with the laws related to employee classification  
15 that are under their jurisdiction.

16 Sec. 2. 21 V.S.A. § 1379 is added to read:

17 § 1379. COMPLAINT OF MISCLASSIFICATION; ENFORCEMENT BY

18 ATTORNEY GENERAL

19 (a) In addition to any other remedies provided under this chapter, an  
20 individual who is misclassified by an employing unit or harmed by an  
21 employing unit's misclassification of an employee as an independent

1 contractor may file a complaint of the misclassification and any related  
2 violations of the provisions of this chapter with the Attorney General.

3 (b) The Attorney General shall investigate the complaint and may enforce  
4 the provisions of this chapter by restraining prohibited acts, seeking civil  
5 penalties, obtaining assurances of discontinuance, and conducting civil  
6 investigations in accordance with the procedures established in 9 V.S.A.  
7 §§ 2458–2461 as though the misclassification of an employee and any related  
8 violations of the provisions of this chapter were unfair acts in commerce.

9 (c) If, following the investigation, the Attorney General determines that an  
10 employee has been misclassified as an independent contractor, the Attorney  
11 General shall notify the Commissioners of Labor, of Financial Regulation, and  
12 of Taxes of the determination, and those Commissioners shall review whether  
13 the employer is in compliance with the laws related to employee classification  
14 that are under their jurisdiction.

15 Sec. 3. EFFECTIVE DATE

16 This act shall take effect on July 1, 2019.