



## **Passage of Misclassification Targets Bad Employers**

Sen. Timothy Green, D-Spanish Lake successfully fought for significant improvements strengthening Missouri's misclassification laws, helping Missouri's hardworking families. Sen. Scott Rupp, R-St. Charles, handler of the House legislation was instrumental in its passage.

The provision adds penalties for employers who misclassify workers as "contractors." By doing that, employers don't have to withhold taxes.

"This is for those employers that tell the illegal immigrant, 'Don't fill out any forms, I'm just going to pay you cash,' " said Sen. Green, who offered the successful amendment.

"Employers are barred from knowingly employing unauthorized aliens. Violators are subject to the suspension of their business permits and licenses or exemptions," said Sen. Green.

"Violators under contract with the state may have their contracts voided and will be barred from contracting with the state for three years," Green said. "Subsequent violations will result in a void contract and a permanent bar from contracting with the state."

The provision closes the largest loophole businesses use to employ illegal workers and level the playing field for employers who follow the law.

"For once we're going to stick up for the good employers," Green said. "For once in Jefferson City we're going to stick up for those who pay good wages, pay their workers comp and withhold their taxes — those who abide by rules."

The Missouri Attorney General will enforce the new misclassification requirements. Injunctions may be sought and employers, if found guilty, will be charged \$50 per day per misclassified worker up to a maximum of \$50,000 for violations.

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CCS SS HCS HB 1549, 1771, 1395 & 2366 also improves the working conditions on the job site by requiring contractors and subcontractors who contract to work on public works projects to provide a 10-hour Occupational Safety and Health Administration (OSHA) instruction and safety program, or a similar program approved by the department of labor, for their employees. All employees working on projects must have completed the course within 60 days of beginning work and shall keep evidence of completion on the worksite.

Contractors and subcontractors in violation will forfeit \$2,500 plus \$100 for each worker employed for each day the worker is employed without training to the public body awarding the contract. Public bodies and contractors may withhold assessed penalties from contractors and subcontractors. The Department of Labor and Industrial Relations will investigate any violations.

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