THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2440 Session of 2018

INTRODUCED BY GALLOWAY, SEPTEMBER 5, 2018

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, SEPTEMBER 5, 2018

AN ACT

Amending the act of April 9, 1929 (P.L.177, No.175), entitled, as amended, "An act providing for and reorganizing the 2 conduct of the executive and administrative work of the 3 Commonwealth by the Executive Department thereof and the 4 5 administrative departments, boards, commissions, and officers 6 thereof, including the boards of trustees of State Normal 7 Schools, or Teachers Colleges; abolishing, creating, reorganizing or authorizing the reorganization of certain administrative departments, boards, and commissions; defining 8 9 the powers and duties of the Governor and other executive and 10 administrative officers, and of the several administrative 11 departments, boards, commissions, and officers; fixing the 12 salaries of the Governor, Lieutenant Governor, and certain 13 other executive and administrative officers; providing for 14 15 the appointment of certain administrative officers, and of all deputies and other assistants and employes in certain 16 departments, boards, and commissions; providing for the 17 18 regulation of pari-mutuel thoroughbred horse racing and harness horse racing activities, imposing certain taxes and providing for the disposition of funds from pari-mutuel 19 20 tickets; and prescribing the manner in which the number and 21 compensation of the deputies and all other assistants and 22 employes of certain departments, boards and commissions shall 23 be determined," in powers and duties of the Department of 24 Labor and Industry, its Departmental Administrative and Advisory Boards and Departmental Administrative Officers, 25 26 providing for joint agency task force on misclassification of 27 28 employees.

- 29 The General Assembly of the Commonwealth of Pennsylvania
- 30 hereby enacts as follows:
- 31 Section 1. The act of April 9, 1929 (P.L.177, No.175), known

- 1 as The Administrative Code of 1929, is amended by adding a
- 2 section to read:
- 3 Section 2209.4. Joint Agency Task Force on Misclassification
- 4 of Employes. -- (a) A joint agency task force is established in
- 5 the Department of Labor and Industry to investigate the practice
- 6 of employe misclassification occurring in this Commonwealth and
- 7 to develop and implement a comprehensive plan with measurable
- 8 goals to reduce misclassification of employes in this
- 9 Commonwealth.
- 10 (b) Members of the joint agency task force shall be as
- 11 follows:
- 12 (1) The Attorney General.
- 13 (2) The Secretary of Community and Economic Development.
- 14 (3) The Secretary of Environmental Protection.
- 15 (4) The Secretary of General Services.
- 16 (5) The Secretary of the Budget.
- 17 (6) The Secretary of Labor and Industry, who shall serve as
- 18 chairperson of the task force.
- 19 (7) The Secretary of Revenue.
- 20 (c) The task force shall meet and organize no later than
- 21 thirty (30) days after the effective date of this section. Each
- 22 member of the agency task force may designate an individual who
- 23 <u>is employed within their respective department to attend</u>
- 24 meetings in their place.
- 25 (d) The task force shall have the following powers and
- 26 duties:
- 27 (1) Examine and evaluate existing employe misclassification
- 28 enforcement by Commonwealth agencies.
- 29 (2) Ensure that agencies and departments undertake timely
- 30 enforcement and that any penalties are posted on their

- 1 respective publicly accessible Internet websites.
- 2 (3) Coordinate the review of existing law and other methods
- 3 to improve monitoring and enforcement of employe
- 4 misclassification.
- 5 (4) Review current procedures and establish reasonable
- 6 methods to accept and acknowledge complaints of employe
- 7 misclassification.
- 8 (5) Identify barriers to information sharing among
- 9 Commonwealth agencies regarding employe misclassification and
- 10 recommend statutory changes as necessary.
- 11 (6) Develop and implement a continuous campaign to educate
- 12 and inform employers, workers and the general public about the
- 13 <u>illegality of employe misclassification</u>.
- 14 (7) Collaborate with business, labor and community groups to
- 15 increase public awareness of the illegality of employe
- 16 <u>misclassification and undertake efforts to reduce its</u>
- 17 occurrence.
- 18 (8) Determine the revenue to the General Fund, the Workmen's
- 19 Compensation Administration Fund and the Unemployment
- 20 Compensation Trust Fund that is lost annually due to employe
- 21 misclassification.
- 22 (9) Engage in other activities deemed necessary and
- 23 appropriate by the task force.
- 24 (e) The task force shall develop a work plan outlining how
- 25 the task force will approach its duties under subsection (d).
- 26 The task force shall submit an annual report to the General
- 27 Assembly by March 1 of the year following the first full year in
- 28 which this section is in effect, and each year thereafter,
- 29 detailing, to the maximum extent possible, data on the previous
- 30 calendar year's administration of this section.

- 1 (f) Staff necessary for the task force shall be provided by
- 2 the agencies participating with the task force.
- 3 Section 2. This act shall take effect in 60 days.