
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 660 Session of
2021

INTRODUCED BY MULLERY, ZABEL, SCHLOSSBERG, SANCHEZ, A. DAVIS,
N. NELSON, McNEILL, HOWARD, NEILSON, ISAACSON, FREEMAN,
CIRESI, SCHWEYER, D. WILLIAMS, SNYDER, MALAGARI, PASHINSKI,
LEE, PISCIOTTANO AND DELLOSO, FEBRUARY 26, 2021

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, FEBRUARY 26, 2021

AN ACT

1 Amending the act of October 13, 2010 (P.L.506, No.72), entitled
2 "An act providing for the criteria for independent
3 contractors in the construction industry and for the powers
4 and duties of the Department of Labor and Industry and the
5 Secretary of Labor and Industry; and imposing penalties,"
6 further providing for administrative penalties, for stop-work
7 orders, for certain agreement prohibited and for use of
8 penalty funds.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. Sections 6, 7(c), 9 and 12 of the act of October
12 13, 2010 (P.L.506, No.72), known as the Construction Workplace
13 Misclassification Act, are amended to read:

14 Section 6. Administrative penalties.

15 (a) General rule.--When the secretary finds that a person
16 has violated this act, the secretary may assess and collect
17 civil penalties of not more than ~~[\$1,000]~~ \$2,500 for the first
18 violation, and not more than ~~[\$2,500]~~ \$5,000 for each subsequent
19 violation.

20 (b) Factors to be considered.--When determining the amount

1 of the penalty to be imposed, the secretary shall consider
2 factors including, but not limited to:

- 3 (1) The history of previous violations by the employer.
- 4 (2) The seriousness of the violation.
- 5 (3) The good faith of the employer.
- 6 (4) The size of the employer's business.

7 Section 7. Stop-work orders.

8 * * *

9 (c) Penalty.--The court shall assess a penalty of [~~\$1,000~~]
10 \$2,500 per day against an employer for each day that the
11 employer conducts business operations that are in violation of a
12 stop-work order issued under this section.

13 Section 9. Certain agreement prohibited.

14 (a) Violation.--No person shall require or demand that an
15 individual enter into an agreement or sign a document which
16 results in the improper classification of that individual as an
17 independent contractor.

18 (b) Penalty.--A violation of subsection (a) shall be
19 punishable by an administrative fine of not less than [~~\$1,000~~]
20 \$2,500 and not more than [~~\$2,500~~] \$5,000. Each violation shall
21 be considered a separate offense under this section.

22 Section 12. Use of penalty funds.

23 Any sum collected as a penalty under:

24 (1) Sections 6, 7 and 9 for a violation of section 4(a)
25 (1) shall be [~~paid into~~] divided equally between the Workers'
26 Compensation Administration Fund and the department for costs
27 related to enforcement.

28 (2) Sections 6, 7 and 9 for a violation of section 4(a)
29 (2) shall be [~~paid into~~] divided equally between the Special
30 Administration Fund created under section 601.1 of the

1 Unemployment Compensation Law and the department for costs
2 related to enforcement.

3 (3) Section 9 for a violation of any other provision of
4 this act shall be divided equally between the Workers'
5 Compensation Administration Fund [and], the Special
6 Administration Fund and the department for costs related to
7 enforcement.

8 Section 2. This act shall take effect in 60 days.