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## Wisconsin Joins Department of Labor's Worker Misclassification Initiative

Article By:

John E. Pueschel

On January 20, 2015, the U.S. Department of Labor announced that Wisconsin has also joined the growing list of states that have entered into formal agreements with the DOL to share information about worker misclassification. Under the terms of a "partnership agreement," the DOL and the Wisconsin Department of Workforce Development agreed to share information about workers who may be improperly classified as independent contractors instead of employees. The DOL's news release can be found here.

As noted here previously, workers who are misclassified as contractors may be denied benefits, minimum wage, and overtime pay that they might receive if properly classified as employees. Likewise, the federal government and state taxing authorities miss out on payroll and other taxes that they would receive if the workers were properly classified.

By sharing information, the DOL and the states participating in the initiative hope to reduce misclassification and increase compliance with employment, wage and hour, and tax laws. The DOL reports that similar agreements have been entered into with the states of Alabama, California, Colorado, Connecticut, Florida, Hawaii, Illinois, Iowa, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, Montana, New Hampshire, New York, Utah and Washington.

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