STATE OF VERMONT

EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NO. 08-12

[Governor's Task Force on Employee Misclassification]

WHEREAS, Vermont law provides that all workers are considered employees unless a worker is lawfully exempt as an "independent contractor," and

WHEREAS, when an employee is misclassified as an independent contractor, the employer potentially violates numerous laws, and

WHEREAS, the misclassification of employees harms Vermont workers by depriving them of important legal rights, harms Vermont taxpayers and the State's economy through the loss of state and federal payroll taxes, and harms employers who abide by the law by enabling non-compliant business to gain an unfair advantage, and

WHEREAS, Vermont's laws regarding misclassification must be aggressively enforced in a coordinated, timely, and consistent manner by all agencies and departments.

NOW, THEREFORE, BE IT RESOLVED that I, Peter Shumlin, by virtue of the authority vested in me as Governor of the State of Vermont, do hereby create the "Governor's Task Force on Employee Misclassification" as set forth below.

I. Composition, Appointments, and Process

The Task Force shall consist of the following members:

- The Secretary of Administration or designee
- The Commissioner of Labor or designee
- The Commissioner of Financial Regulation or designee
- The Commissioner of Taxes or designee
- The Commissioner of Buildings of General Services or designee
- The Secretary of Transportation or designee
- The Secretary of Human Services or designee
- The Secretary of Commerce or designee
- The Commissioner of Liquor Control or designee

The Task Force may also request the participation of other state officials, including the Attorney General or designee and the Secretary of State or designee.

The Commissioner of Labor or his or her designee shall chair the Task Force. The Task Force may elect a deputy chair. The Department of Labor shall provide administrative support. The Task Force shall meet every two months at the call of the Chair or deputy chair.

II. Charge

The Task Force is charged with combating the practice of employee misclassification and shall report its findings to the Governor on January 15 of each year.

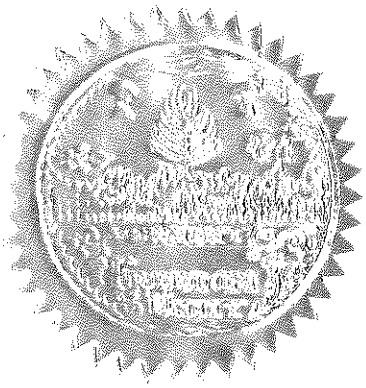
The Task Force shall:

A. Examine and evaluate existing misclassification enforcement by agencies and departments;
B. Develop and implement a campaign to educate and inform employers, workers, and the general public about misclassification;
C. Coordinate review of existing law and other methods to improve monitoring and enforcement of misclassification;
D. Review and establish reasonable mechanisms to accept complaints and reports and non-compliance;
E. Review templates for state contracts and grants and monitor systems to ensure compliance by contractors and grant recipients;
F. Identify barriers to information sharing and recommend statutory changes where necessary;
G. Work collaboratively with businesses, labor, and other interested stakeholders in the effort to reduce employee misclassification;
H. Ensure that agencies and departments are engaged in timely enforcement and that any penalties and debarment periods are posted to a publicly available website in a timely manner, where permitted by law. Additional methods of public notice and information sharing shall be reviewed and recommended by the Task Force.
I. Engage in other activities as deemed necessary and appropriate by the Task Force, as permitted by law.

All agencies and departments shall cooperate with the Task Force and furnish information in a timely fashion. The Task Force is authorized to receive monetary and other assistance in furtherance of its duties upon approval of the Governor in accordance with law. The Department of Labor shall be the fiscal recipient of any such funds.

III. Effective Date

This Executive Order shall take effect upon signing and shall continue in full force and effect until further order by the Governor.



Dated September 8, 2012.

Peter Shumlin
Governor

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