



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

SB0022 - Generally revise independent contractor laws (Morigeau, Shane A)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB22 revises independent contractor laws and removes the presumption of employment status due to lack of an independent contractor's exemption certificate. This work would be completed with existing staff and agency resources within the Department of Labor and Industry (DLI) and therefore, this bill has no fiscal impact to the state.

FISCAL ANALYSIS

Assumptions:

- Section 39-71-417. MCA requires independent contractors to obtain an independent contractor exemption certificate.
- The Unemployment Insurance Division (UID) and Employment Standards Division (ESD) would review the employment status of individuals hired by employers when either workers compensation benefits were applied for or when the UID completes its regularly scheduled wage audits on approximately 1% of employers across the state as required by the federal government. Therefore, no additional fiscal impact is anticipated.

Sponsor's Initials

1-17-23

Date

Budget Director's Initials

1-17-23

Date