The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Yoursheka George.

DIGEST

SB 201 Original 2020 Regular Session Carter

Present law, relative to unemployment compensation, provides that a warning letter must be issued as a first offense violation to an employer who knowingly and willfully fails to properly classify an individual as an employee.

Proposed law removes the requirement that a warning letter be issued to an employer as a first offense violation when the employer knowingly and willfully fails to properly classify an individual as an employee.

Present law provides that no administrative penalties are due for first offense violations.

Proposed law provides that at the determination of a first offense violation, in addition to any contributions, interest, and penalties otherwise due, an administrator may assess a penalty of up to $5,000 to an employer who knowingly and willfully fails to properly classify an individual as an employee.

Present law provides that after June 30, 2013, an employer who has received written warning yet still fails to properly classify an individual as an employee may be assessed an administrative penalty of not more than $250 per each such individual.

Present law provides that after June 30, 2013, an employer who has received written warning yet still fails to properly classify an individual as an employee and fails to pay his contributions after a determination of a third or subsequent violation, the employer may be assessed an administrative penalty of not more than $500 per each such individual.

Proposed law provides that at the determination of a second or subsequent offense violation of an employer's failure to properly classify an individual as an employee, in addition to any contributions, interest, and penalties otherwise due, an administrator may assess a penalty of up to $25,000 per such individual, or the employer may be subject to an additional fine of not less than $50,000 or imprisonment for not more than 90 days, or both when an employer knowingly and willfully fails to properly classify an individual as an employee.

Effective August 1, 2020.

(Amends R.S. 23:1711(G)(1))