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H.425

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Introduced by Representative Leriche of Hardwick

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Referred to Committee on

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Date:

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Subject: Labor; workers' compensation; independent contractor

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Statement of purpose: This bill proposes to establish a common definition of

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an "independent contractor" for the workers' compensation statutes.

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An act relating to independent contractors

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It is hereby enacted by the General Assembly of the State of Vermont:

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Sec. 1. 21 V.S.A. § 601 is amended to read:

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§ 601. DEFINITIONS

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Unless the context otherwise requires, words and phrases used in this

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chapter shall be construed as follows:

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(14) "Worker" and "employee" means an individual who has entered

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into the employment of, or works under contract of service or apprenticeship

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with, an employer. Any reference to a worker who has died as the result of a

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work injury shall include a reference to the worker's dependents, and any

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reference to a worker who is a minor or incompetent shall include a reference

1 to the minor's committee, guardian, or next friend. The term "worker" or
2 "employee" does not include:

3 * * *

4 (I) An independent contractor if it can be demonstrated that the
5 independent contractor meets all of the following conditions:

6 (i) Maintains a separate business with a separate office,
7 equipment, materials, or other facilities and has continuing recurring business
8 liabilities or obligations.

9 (ii) Holds or has applied for a federal employer identification
10 number with the Internal Revenue Service or has filed business or
11 self-employment income tax returns with the federal Internal Revenue Service
12 based on work or service performed in the previous year.

13 (iii) Operates under a written contract that specifies that the
14 independent contractor complies with all of the following:

15 (I) Will perform specific services or work for specific amounts
16 of money, and the independent contractor controls the means of performing the
17 services or work.

18 (II) Incurs the main expenses related to the service or work that
19 the independent contractor performs under contract.

