

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**March 26, 2013**

**TO:** Honorable John Davis, Chair, House Committee on Economic & Small Business Development

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB2015** by Davis, John (Relating to the proper classification of workers performing services under certain governmental contracts; providing a penalty.), **As Introduced**

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| <p><b>No significant fiscal implication to the State is anticipated.</b></p> |
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The bill would amend the Labor Code relating to the proper classification of workers performing services under certain governmental contracts. The bill requires the Texas Workforce Commission (TWC) to establish criteria for properly classifying an individual as an employee or an independent contractor for individuals that provide services under a contract with a governmental entity. The bill also requires TWC to assess a \$200 penalty for each individual that is not properly classified, and to adopt rules to implement the new provisions not later than December 1, 2013.

Based on information provided by TWC, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 320 Texas Workforce Commission

**LBB Staff:** UP, RB, MW, NV