

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 9, 2021

TO: Honorable Chris Turner, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB4182** by Turner, Chris (relating to the employment status of certain remote service workers.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

It is assumed that the costs associated with the bill's provisions relating to the employment status of certain remote service workers could be absorbed using existing resources.

Potential Cost to Employers Affected by Legislation

According to the Texas Workforce Commission, whether services are determined to be in an independent contractor relationship under state law is not relevant to the determination by the Internal Revenue Service (the decision is based on federal law) therefore there may be negative tax consequences for employers who have workers designated as independent contractors under the bill's provisions.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission

LBB Staff: JMc, SZ, MB, DFR