

## **Executive Order 20-15**

**WHEREAS**, all Missouri workers should receive fair compensation and workplace protections based on the nature of the work they perform; and

**WHEREAS**, employers and employees in Missouri are committed to practices that enhance the stability of the unemployment insurance trust fund, the workers' compensation fund, and other programs designed to create a prosperous economy; and

**WHEREAS**, successfully identifying and reducing worker misclassification depends on the close cooperation between businesses and state agencies; and

**WHEREAS**, improperly classifying individuals as "independent contractors" instead of "employees" reduces the number of workers who are eligible for economic protections, such as unemployment insurance and workers' compensation, and economic benefits; and

**WHEREAS**, underpayments of wages, unemployment insurance contributions, workers' compensation insurance, and payroll taxes can result in millions of dollars in losses to state government and taxpayers; and

**WHEREAS**, misclassification of workers creates competitive disparities which disadvantages law-abiding businesses; and

**WHEREAS**, enforcement efforts to address the problem of misclassification can be enhanced and made more efficient through interagency cooperation, information sharing, compliance assistance, educational outreach, and joint enforcement efforts against serious violators; and

**WHEREAS**, the creation of an interagency task force has proven to be an effective mechanism for coordinating, enhancing, and streamlining enforcement in this area.

**NOW, THEREFORE, I, MICHAEL L. PARSON, GOVERNOR OF THE STATE OF MISSOURI**, by the authority vested in me by the Constitution and the Laws of the State of Missouri, do hereby create the Interagency Task Force on Worker Classification ("Task Force") and order the following:

1. The Task Force shall be staffed by the Department of Labor and Industrial Relations with technical assistance provided by staff of other agencies as needed. The Task Force shall consist of:
  - a. The Director of the Department of Labor and Industrial Relations or his or her designee, who shall serve as the chair;
  - b. The Attorney General or his or her designee;
  - c. The Director of the Department of Revenue or his or her designee;
  - d. The Director of the Department of Commerce and Insurance or his or her designee;
  - e. The Director of the Worker's Compensation Division of the Department of Labor and Industrial Relations;
  - f. The Director of the Employment Security Division of the Department of Labor and Industrial Relations;
  - g. The Director of the Labor Standards Division of the Department of Labor and Industrial Relations; and
  - h. Other individuals appointed by the Governor to serve at the pleasure of the Governor, including at least one individual representing workers and at least one individual representing the business community.
2. The Task Force shall facilitate communication of investigations and enforcement of worker misclassification matters by the Department of Labor and Industrial Relations, Department of Revenue, Department Commerce and Insurance, and other relevant agencies. This includes, but is not limited to:
  - a. Examining and evaluating existing misclassification enforcement by agencies;
  - b. Facilitating sharing amongst the Task Force members of information related to suspected worker misclassification violations, in a timely manner as permitted by law;

- c. Developing recommendations for pooling, focusing, and targeting investigative and enforcement resources;
  - d. Assessing existing methods, both within Missouri and in other jurisdictions, of preventing, investigating, and taking appropriate enforcement actions against worker misclassification violations, and to develop best practices for participating agencies to improve their prevention and enforcement efforts;
  - e. Working cooperatively with business, labor, and community groups interested in reducing worker misclassification, including but not limited to:
    - i. Seeking ways to prevent worker misclassifications, such as through the further dissemination of educational materials and community outreach regarding the legal difference between independent contractors and employees; and
    - ii. Enhancing mechanisms for identifying and reporting worker misclassification where it does occur.
  - f. Increasing public awareness and community outreach to explain the illegal nature of and harms caused by worker misclassification; and
  - g. Reviewing statutes and regulations related to worker misclassification and recommending any appropriate changes to relevant legislation or administrative rules.
3. The Task Force shall issue a report to the Governor on or before December 31 of each year, beginning in 2020, and in subsequent years until dissolution. The report shall include, but is not limited to:
- a. Describing the accomplishments and recommendations of the Task Force;
  - b. The amounts of wages, taxes, or other payments of penalties collected with coordinated agency activities;
  - c. Identifying any administrative or legal barrier impeding more effective interagency coordination, including any barriers to information sharing or joint actions; and
  - d. Identifying successful mechanisms for preventing worker misclassification, and thereby reducing the need for greater enforcement.
4. Every agency, department, office, division, or public authority of the State of Missouri shall, in accordance with Chapter 610, RSMo., cooperate with the Task Force and furnish such information and assistance as the Task Force determines is reasonably necessary to accomplish its purposes.
5. The Task Force shall submit its final report to the Governor by December 31, 2024, at which point the Task Force shall be dissolved unless reauthorized or superseded by a subsequent Executive Order.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 11<sup>th</sup> day of September, 2020.

MICHAEL L. PARSON  
GOVERNOR

ATTEST:

JOHN R. ASHCROFT  
SECRETARY OF STATE