

**Public Hearing Testimony of
Sharon M. Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
February 19, 2013**

Good Afternoon Senator Osten, Representative Tercyak, Senator Markley, Representative Smith and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding ***Senate Bill 344, AA Clarifying the Definition of Independent Contractor***. My name is Sharon Palmer and I am the Labor Commissioner.

Senate Bill 344, AA Clarifying the Definition of Independent Contractor seeks to clarify the definition of independent contractor. My Department uses what is called the ABC Test to determine if an individual is an employee or an independent contractor. This longstanding 3 prong test sets forth the criteria that an employer must meet in order to properly classify its workers as independent contractors. Our statutes do not contain a definition of an independent contractor but uses the ABC test to determine an individual's employment status.

Inasmuch as I am unsure what effect this bill might have on the Department of Labor, I await further language that would clarify the intent of this proposed bill.

Thank you for the opportunity to provide this testimony and I am available to answer any questions.