## LEGISLATURE OF NEBRASKA ONE HUNDRED FIFTH LEGISLATURE SECOND SESSION

## **LEGISLATIVE BILL 784**

Introduced by Vargas, 7; McDonnell, 5; Wayne, 13.

Read first time January 03, 2018

Committee: Business and Labor

- 1 A BILL FOR AN ACT relating to the Employee Classification Act; to amend
- 2 sections 48-2907 and 48-2911, Reissue Revised Statutes of Nebraska;
- 3 to prohibit contractors with unpaid fines from contracting with the
- 4 state or a political subdivision; to change provisions relating to a
- 5 required affidavit; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

- 1 Section 1. Section 48-2907, Reissue Revised Statutes of Nebraska, is
- 2 amended to read:
- 3 48-2907 (1) In addition to any other fines or penalties provided by
- 4 law, if the commissioner finds, after notice and hearing, that a
- 5 contractor has violated the Employee Classification Act, the contractor
- 6 shall be assessed, by the commissioner, a five-hundred-dollar fine per
- 7 each misclassified individual for the first offense and a five-thousand-
- 8 dollar fine per each misclassified individual for each second and
- 9 subsequent offense.
- 10 (2) Any contractor who has unpaid fines for a violation of the
- 11 <u>Employee Classification Act shall be barred from contracting with the</u>
- 12 <u>state or any political subdivision until such fines are paid.</u>
- 13 Sec. 2. Section 48-2911, Reissue Revised Statutes of Nebraska, is
- 14 amended to read:
- 15 48-2911 Any contract between the state or a political subdivision
- 16 and a contractor shall require that each contractor who performs
- 17 construction or delivery service pursuant to the contract submit to the
- 18 state or political subdivision an affidavit attesting that (1) each
- 19 individual performing services for such contractor is properly classified
- 20 under the Employee Classification Act, (2) such contractor has completed
- 21 a federal I-9 immigration form and has such form on file for each
- 22 employee performing services, (3) such contractor has complied with
- 23 section 4-114, (4) such contractor has no reasonable basis to believe
- 24 that any individual performing services for such contractor is an
- 25 undocumented worker, and (5) as of the time of the contract, such
- 26 contractor is not barred from contracting with the state or any political
- 27 subdivision pursuant to section <u>48-2907 or 48-2912</u>. Such contract shall
- 28 also require that the contractor follow the provisions of the Employee
- 29 Classification Act. A violation of the act by a contractor is grounds for
- 30 rescission of the contract by the state or political subdivision.
- 31 Sec. 3. Original sections 48-2907 and 48-2911, Reissue Revised

1 Statutes of Nebraska, are repealed.