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NOTICE: ATTENTION VERMONT EMPLOYERS

The Commissioner of Labor and the Attorney General advise you that the Attorney General has been granted investigation and enforcement authority in relation to complaints of employee misclassification pursuant to the provisions of 21 V.S.A. §§ 346, 387, 712, and 1379.

Employee misclassification is the practice of identifying workers as independent contractors or consultants, rather than employees when the opposite is true. When misclassification occurs, employers do not pay otherwise required unemployment and other payroll taxes for those workers and do not provide workers compensation coverage or unemployment benefits to those workers. That creates unfair advantage over competing businesses who properly classify their workers as employees. In addition, states and the federal government lose uncollected tax revenue because of the practice, and workers lose certain protections available to them through labor laws.

- Requirements of proper employee classification may be found here:
<https://labor.vermont.gov/document/who-employee-vs-independent-contractor>
- Background information on reporting misclassification or fraud:
https://labor.vermont.gov/sites/labor/files/doc_library/Fraud.pdf
- To file a complaint regarding employee misclassification, go to:
<https://labor.vermont.gov/form/report-ui-fraud>
- For more information about employee misclassification, go to:
<https://labor.vermont.gov/workers'-compensation/misclassification>