

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 241** HLS 22RS 789

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 6, 2022	10:27 AM	<b>Author:</b> RISER
<b>Dept./Agy.:</b> LA Workforce Commission		<b>Analyst:</b> Prashant Sastry
<b>Subject:</b> Fresh Start Worker Classification Initiative		

LABOR OR INCREASE RV See Note  
Provides relative to the Fresh Start Proper Worker Classification Initiative

Proposed law enacts the Fresh Start Proper Worker Classification Initiative by changing the time frame for employers to apply for the program from Jan. 1, 2022 through Dec. 31, 2022 to between Jan. 1, 2023 through Dec. 31, 2023. Proposed law eliminates the exemption for liability of interest due on unemployment tax for the misclassification of employees during the look-back period.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	INCREASE	INCREASE	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Act 297 of the 2021 Regular Session enacted the Fresh Start Proper Worker Classification Initiative with an effective date of January 1, 2022. The Louisiana Workforce Commission (LWC) adopted an Emergency Rule, effective November 8, 2021, to delay the implementation of certain provisions of Act 297, which provided the relief associated with the Fresh Start Program. Proposed law changes the application period from January 1, 2022 through December 31, 2022 to January 1, 2023 through December 31, 2023.

**REVENUE EXPLANATION**

Proposed law may result in an indeterminable increase in interest if violations for misclassifying employees are assessed to employers. LWC reports that the present law provides that this interest is deposited into the Labor-Penalty and Interest Account.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
**Evan Brasseaux**  
**Interim Deputy Fiscal Officer**