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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1897

03/04/2021 Authored by Greenman and Ecklund

The bill was read for the first time and referred to the Committee on Workforce and Business Development Finance and Policy

1.1 A bill for an act
1.2 relating to employment; clarifying definitions of employee and independent
1.3 contractor; proposing coding for new law in Minnesota Statutes, chapter 181.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. 181.724 EMPLOYEES AND INDEPENDENT CONTRACTORS; TEST
1.6 FOR EMPLOYEE STATUS.

1.7 (a) For purposes of this chapter and chapters 176, 177, 181A, 182, and 268, an individual
1.8 providing labor or services for remuneration, including an individual providing services
1.9 through a sole proprietorship or other business entity, shall be considered an employee
1.10 rather than an independent contractor unless the hiring entity demonstrates that all of the
1.11 following conditions are satisfied:

1.12 (1) the individual is free from the control and direction of the hiring entity in connection
1.13 with the performance of the work, both under the contract for the performance of the work
1.14 and in fact;

1.15 (2) the individual performs work that is outside the usual course of the hiring entity's
1.16 business; and

1.17 (3) the person is customarily engaged in an independently established trade, occupation,
1.18 or business of the same nature as that involved in the work performed.

1.19 (b) Notwithstanding paragraph (a), any exceptions to the terms "employee," "employer,"
1.20 "employ," or "independent contractor," that are expressly made by chapter 176, 177, 181A,
1.21 182, or 268, shall remain in effect for the purposes set forth therein.