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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE No. 3296**

February 21, 2008

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act  
1.2 relating to unemployment compensation; eliminating an exception to the general  
1.3 rule for determining independent contractor status; requiring certain audit  
1.4 activities; repealing Minnesota Statutes 2007 Supplement, section 268.035,  
1.5 subdivision 25b.

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

1.7 Section 1. **UNEMPLOYMENT COMPENSATION AUDITS.**

1.8 The commissioner of employment and economic development shall conduct  
1.9 sufficient audits of trucking industry employers to determine if there is a pattern of  
1.10 improper classification of owner-operators as independent contractors. The commissioner  
1.11 shall, in addition to any other audits, target audit companies that have been found by  
1.12 courts and regulators in other jurisdictions to have improperly classified owner-operators  
1.13 as independent contractors either in connection with unemployment compensation laws  
1.14 or other laws.

1.15 **EFFECTIVE DATE.** This section is effective October 1, 2008, and expires June  
1.16 30, 2010.

1.17 Sec. 2. **REPEALER.**

1.18 Minnesota Statutes 2007 Supplement, section 268.035, subdivision 25b, is repealed.

1.19 **EFFECTIVE DATE.** This section is effective October 1, 2008.