

HOUSE BILL 309

C2
HB 649/09 – ECM

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By: **Delegates W. Miller, Haddaway–Riccio, Impallaria, Minnick, Schuh, Schulz, and Stifler**

Introduced and read first time: January 30, 2012

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Labor and Employment – Independent Contractor – Definition**

3 FOR the purpose of defining “independent contractor”; and generally relating to the
4 definition of independent contractor.

5 BY repealing and reenacting, with amendments,
6 Article – Labor and Employment
7 Section 1–101
8 Annotated Code of Maryland
9 (2008 Replacement Volume and 2011 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article – Labor and Employment**

13 1–101.

14 (a) In this article the following words have the meanings indicated.

15 (b) “County” means a county of the State and, unless expressly provided
16 otherwise, Baltimore City.

17 (c) “Governmental unit” means:

18 (1) the State;

19 (2) a county, municipal corporation, or other political subdivision of
20 the State; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) a unit of the State government or of a political subdivision.

2 **(D) “INDEPENDENT CONTRACTOR” MEANS AN INDIVIDUAL WHO IS NOT**
3 **AN EMPLOYEE FOR PURPOSES OF THE FEDERAL INSURANCE CONTRIBUTIONS**
4 **ACT AND THE FEDERAL UNEMPLOYMENT TAX ACT, BASED ON APPLICATION OF**
5 **THE 20 FACTORS SET FORTH IN THE INTERNAL REVENUE SERVICE REVENUE**
6 **RULING 87-41, ISSUED PURSUANT TO 26 C.F.R. 31.3306(I)-1 AND 26 C.F.R.**
7 **31.3121(D)-1.**

8 **[(d)] (E)** “Person” means an individual, receiver, trustee, guardian, personal
9 representative, fiduciary, or representative of any kind and any partnership, firm,
10 association, corporation, or other entity.

11 **[(e)] (F)** “State” means:

12 (1) a state, possession, or commonwealth of the United States;

13 (2) except as provided in § 8-101(x) of this article, a territory of the
14 United States; or

15 (3) the District of Columbia.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2012.