

Department of Labor Goes After Those Who Call Workers Independent Contractors

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The state Department of Labor is cracking down on employers who hire workers under the table.

The department's Joint Enforcement Task Force on Worker Misclassification conducted 15 raids around the state, primarily at construction companies and restaurants, looking for workers misclassified as independent contractors.

What the stepped-up raids mean for employers is "you'd better watch out because we'll be knocking on the door," said state Department of Labor Commissioner M. Patricia Smith. The task force is working on 16 more cases, she said.

Gov. Eliot Spitzer created the task force in September to address the problem of employers paying their workers off the books. The task force released its first report Monday.

The task force found 646 workers who were owed minimum and overtime wages of about \$3 million. It also found \$19 million in unreported wages. That represented wages for which employers did not pay required federal, state or local taxes. They also didn't report wages for unemployment or Social Security purposes, the Labor Department said.

The task force has assessed more than \$1.2 million in taxes and penalties owed to the Unemployment Insurance fund, which provides a safety net for workers who lose their jobs through no fault of their own.

The state also found employers who violated asbestos, record keeping and child labor laws.