

# Dept. of Workforce Development: Releases 2022 Joint Task Force on Worker Misclassification and Payroll Fraud Report

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MADISON – The Wisconsin Department of Workforce Development (DWD) has released the 2022 Joint Taskforce on Worker Misclassification and Payroll Fraud report, which summarizes the task force's activities throughout 2021 and includes multiple recommendations to strengthen Wisconsin's ability to combat these forms of fraud.

The task force was created by Gov. Tony Evers on April 15, 2019, to evaluate current law and potential options, whether through change to statute or administrative rule, that will help prevent worker misclassification and protect thousands of workers while also leveling the playing field for businesses that follow the law.

The report included the following recommendations:

1. Direct agencies to continue to investigate and work with the Department of Justice to prosecute violations of misclassification laws, such as Wis. Stat. § 108.24(2) and (2m). Require the Department of Justice to make the names of the businesses prosecuted public.
2. Amend Wis. Stat. ch. 183 to require the disclosure of all members and managers of domestic and foreign Limited Liability Companies (LLCs) at organization or registration and in annual reports.
3. Amend Wis. Stat. ch. 183 to include a false filings provision and penalty.
4. Amend Wis. Stat. ch. 183 to provide for limited enforcement authority by DFI to

investigate and refer violations to the Attorney General to enjoin LLC.

5. Direct the Department of Revenue and Department of Workforce Development to create and adopt a unified worker classification questionnaire.

DWD Secretary-designee Amy Pechacek also announced that the work of the task force has concluded with the issuance of the report.

“Wisconsin owes a debt of gratitude to the members of this task force as well as the countless members of the public who contributed through testimony or participation in workgroups,” Pechacek said. “The recommendations of this task force since its inception should act as a roadmap for policymakers as we move forward in addressing these complex fraudulent businesses practices. I look forward to working with the other state agencies and members of the Wisconsin State Legislature to move forward on the recommendations of the task force, both past and present.”

This issue of worker misclassification and payroll fraud is not unique to Wisconsin – employers across the country in certain industries commonly misclassify workers as “independent contractors,” even when under the law those workers should be classified as employees.

For more information on the work of the Joint Enforcement Task Force on Worker Misclassification and Payroll Fraud please visit the [Joint Enforcement Task Force on Payroll Fraud and Worker Misclassification website](#).