

§ 143-788. Section powers and duties.

(a) The Section shall have the following duties:

- (1) Be available during business hours to receive reports of employee misclassification by telephonic, written, or electronic communication.
- (2) Investigate reports of employee misclassification and coordinate with and assist all relevant State agencies in recovering any back taxes, wages, benefits, penalties, or other monies owed as a result of an employer engaging in employee misclassification.
- (3) Coordinate with relevant State agencies and district attorneys' offices in the prosecution of employers and individuals who fail to pay civil assessments or penalties assessed as a result of the employer's or individual's involvement in employee misclassification.
- (4) Provide all relevant information pertaining to each instance of reported employee misclassification to the North Carolina Department of Labor, the Division of Employment Security within the North Carolina Department of Commerce, the North Carolina Department of Revenue, and the North Carolina Industrial Commission to facilitate investigation of potential violations of Chapter 95, 96, 97, 105, or 143 of the General Statutes.
- (5) Create a publicly available notice that includes the definition of employee misclassification.
- (6) Develop methods and strategies for information sharing between State agencies in order to proactively identify possible instances of employee misclassification.
- (7) Develop methods and strategies to educate employers, employees, and the public about proper classification of employees and the prevention of employee misclassification.

(b) No later than October 1 of each year, the Section shall publish annually to the Office of the Governor and to the Joint Legislative Commission on Governmental Operations a report of the administration of this Article, together with any recommendations as the Section deems advisable. This report shall include, at a minimum, the number of reports of employee misclassification received, the number of cases referred to each State agency, the number and amount of back taxes, wages, benefits, penalties, or other monies assessed, and, where reasonably ascertainable, the amount of back taxes, wages, benefits, penalties, or other monies collected.

(c) The Section may adopt rules in accordance with Article 2A of Chapter 150B of the General Statutes for the purpose of carrying out the provisions of this Article and establishing the processes and procedures to be used under this Article. (2017-203, s. 1; 2021-180, s. 37.8(b).)