

Teamsters Local Union 728

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Media Advisory

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As Georgia Faces State Budget Crisis of \$1 Billion Debt to Federal Government **Employee Misclassification Drains State Funds; Senate Bills Seek to Hold Tax Dodging Companies Accountable**

- What:** Press Conference held by bills' sponsors and supporters addressing the epidemic of worker misclassification and the subsequent depletion of the Georgia state budget
- Who:** Senate Minority Leader Stephen Henson, Senator Nan Orrock, Teamsters Local 728, and workers impacted by employee misclassification (including Savannah port truckers)
- When:** **Wednesday, February 26, 2014; 1:30 PM**
- Where:** Washington Street side of the Georgia State Capital
206 Washington St. SW, Atlanta, GA 30334

Georgia is faced with a serious budget crisis. The Georgia state unemployment tax fund is depleted, resulting in a debt of \$1 billion owed to the Federal government for related loans. Many industries, including port trucking, construction, and food service, are illegally classifying workers that meet the Federal IRS definition of the employer-employee relationship as "independent contractors," primarily to dodge unemployment and payroll taxes, cheating Georgia's taxpayers and public agencies of much-needed revenue.

Two bills introduced to the Senate floor on Feb. 21, 2014, seek to establish a stricter definition of employee status and more severe penalties for worker misclassification in Georgia. SB 401, sponsored by Senator Nan Orrock (District 36), brings Georgia employment law in line with Federal employment laws. "Georgians are being forced to pay the price for irresponsible employers," said Senator Orrock. "My bill simply holds Georgia employers to Federal standards. Hard working Georgians shouldn't have to pay for company's unlawful business practices." SB 402, sponsored by Senator Minority Leader Steve Henson (District 41), introduces fines and company-wide audits for repeating offenders. "Georgia is in a deficit partially because companies are breaking the law," said Senate Minority Leader Henson. "SB 402 establishes repercussions for companies who think it is acceptable to cheat tax payers and workers out of hard earned revenue." In the past year, similar bipartisan supported legislation has been introduced in other states including Texas and New York.

Misclassified workers are denied bedrock labor protections and workplace benefits, and many are victims of employer wage theft. "I never know how much I'm going to make and I can never catch up," said Carol Cauley, a truck driver with C&K Trucking serving the Port of Savannah. "Sometimes I work a whole week, full time, and take home way less than the minimum wage. It makes me feel like a prisoner to work so hard and never catch up or get ahead because they just keep taking money out of my paycheck for their business expenses." Misclassification takes an additional toll on the Georgia economy through keeping a substantial workforce at poverty wages, unable to contribute to the economy as consumers, and without medical insurance or workers compensation.

For more information on the extensive impact of worker misclassification in the port trucking industry, see the recently released report, *The Big Rig Overhaul*, press releases, and links to related news coverage at www.JusticeforPortDrivers.org

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