EMPLOYERS ARE REQUIRED BY LAW TO CORRECTLY CLASSIFY EACH WORKER AS EITHER AN "EMPLOYEE" OR "INDEPENDENT CONTRACTOR."

It is important for employers to correctly classify their workers. Worker classification determines whether or not employers have legal obligations under civil rights, labor standards, worker’s compensation, and unemployment insurance laws. There are consequences for misclassifying or attempting to misclassify a worker as an independent contractor which may include criminal penalties and jail time.

EMPLOYEES ARE:
- Protected under safe workplace laws.
- Protected under non-discrimination laws.
- Eligible for unemployment benefits.
- Entitled to receive minimum wage.
- Entitled to receive overtime compensation.
- Entitled to receive worker’s compensation.

INDEPENDENT CONTRACTORS ARE:
- Not always protected under safe workplace laws.
- Not always protected under civil rights laws.
- Not eligible for unemployment benefits.
- Not entitled to minimum wage.
- Not entitled to overtime compensation.
- Not entitled to worker’s compensation.

If you are uncertain of how to classify workers, or if you suspect an employer is utilizing misclassified workers, please contact the Department of Workforce Development.

STATE OF WISCONSIN
DEPARTMENT OF WORKFORCE DEVELOPMENT

201 E WASHINGTON AVE
P. O. BOX 7946
MADISON WI 53707
Telephone: (608) 266-3131

Website: https://dwd.wisconsin.gov/worker-classification/

The Department of Workforce Development is an equal opportunity employer and service provider. If you have a disability and need to access this information in an alternate format or need it translated to another language, please contact us.