

Quarterly News

Q&A: Independent Contractors.

Employing Independent Contractors (IC) can come with questions:

What defines an Independent Contractor? An Independent Contractor must be free from the right of control and direction from the hiring agent and be engaged in their own independently established business, occupation, trade, or profession. If they perform services away from their own fixed business location, they must be covered under a self-elected workers' compensation (WC) insurance policy or obtain an Independent Contractor Exemption Certificate (ICEC).

What is my responsibility as the Employer? When hiring an IC, employers need make sure they do NOT control the method and means of how ICs perform their work, i.e., providing equipment and training; instructing them in how or when to perform their services. You should have a written contract stating what is to be performed, materials used, start and completion dates, payment based on a completed project basis or on set percentages of work completed, and liability for failure to complete the project. Hiring agents can be fined up to \$1,000 per violation for exercising control to create an employee/employer relationship; or requiring an employee to assume an IC status.

Check periodically to confirm ICEC or WC insurance certificates have not expired and/or are in good standing. It is important to note that the ICEC is only applicable for one individual, if the IC has multiple people on the job site you should verify all workers status.

How can I verify someone has an active ICEC? The departments, Employment Relations Division (ERD) provides an online search, visit <u>erdcontractors.mt.gov</u> or call (406) 444-7734.

How can I verify someone has an active WC policy? Use this online search <u>ewccv.com/cvs/</u>.

Where can I get more information? Our Employment Relations Division website, <u>erd.dli.mt.gov</u>, is a great resource for Montana Contractors.

2023 Taxable Wage Base

The 2023 taxable wage base will be 40,500 which is 80% of the 2021 average annual wage (50,622), rounded to the nearest 100.

We recommend you do not update payroll software with the 2023 taxable wage base until AFTER you file the UI report for the fourth quarter of 2022.

UI Modernization Project

The Unemployment Insurance Division has kicked off a project to modernize our IT systems. The new Montana Unemployment Services Environment (MUSE) system will combine our existing Benefit Claims and Tax systems into one integrated environment, allowing for faster response times and the opportunity to streamline our processes both internally and for our customers.

For employers, this will mean expanded services within <u>UI eServices for Employers</u>. More options for maintaining your employer tax account as well as responding to fact-finding requests regarding benefit claims.

Projected completion is September 2023. Stay tuned for more specifics on the changes as they become available.

ASSISTANCE for BUSINESS CLINIC

In-person ABC sessions are being planned for fall 2022 Assistance for Business Clinics. Dates and locations are subject to change, but the tentative schedule includes:

- Billings, September 21st (with SafetyFest)
- Butte, September 22nd
- Missoula, October 4th
- Helena, October 5th

For up-to-date information or to register to attend, visit our website: <u>dli.mt.gov/resources/abc-clinics</u> or contact **Andy Shirtliff** at <u>andy.shirtliff@mt.gov</u> or (406) 444-6171.



SafetyFest**MT**

Mark your calendars to attend SafetyFestMT September 20th – 22nd Billings Hotel & Convention Center Visit <u>safetyfestmt.dli.mt.gov</u> to register today!

Integrity Matters!

Employers play a key role in ensuring the integrity of Montana's UI program and preventing fraud. For helpful information on how you can do your part, visit our Employer Resource page <u>uid.dli.mt.gov/employers/</u> and check out these flyers:

Completing Reports and Requests

Preventing and Reporting UI Fraud



Using SIDES E-Response is FREE and saves both employers and the state time and money. Over 50% of Montana employers are utilizing SIDES E-Response to receive and respond to requests for information regarding UI benefit claims.

Benefits of using SIDES E-Response include:

- Quicker notification of claims filed and potential charges to your employer account.
- Greatly reduces the chance of forfeiture of rights to protest due to lost or late responses.
- Enhances the integrity of the UI system. Better responses in a shorter time frame help to reduce waste within the UI program and prevent fraud.

Getting signed-up is as easy as logging into UI eServices for Employers (<u>uieservices.gov</u>).

Want more SIDES information or need help?

For more information on SIDES, view our <u>SIDES FAQ</u> on <u>uieservices.mt.gov</u> or contact our Montana SIDES Coordinator, Jennifer Bertrand, at <u>ibertrand@mt.gov</u> or (406) 255-1138.

eServices Security Protect You and Your Data

Are you sharing a username and password for <u>UI</u> <u>eServices for Employers</u> amongst your staff? We hope not! But if so, are you aware of the risk you are taking?

Protect yourself and your data by ensuring everyone accessing your UI account online has the permission to do so AND is using their own unique logon.

If you have Administrator level access rights to your account in eServices, under your Profile select the Manage Logons tab to see who has access and at what level. From there you can increase, decrease, or inactivate a user's access to your account.

If you are an employer who has allowed a third-party administrator (accountant, payroll provider, etc.) to have access to your account, we encourage you to create a logon into eServices as well. Having access to eServices will allow you to easily review what is being submitted on your behalf.

Never give your username or password to a thirdparty, they should create a logon and submit the proper authorization form before accessing your information on eServices.

For help with eServices, contact our eServices Customer Support Team at (406) 444-3834 or <u>uieservices@mt.gov</u>

Report Fraud

If you suspect a person or business is committing UI fraud, go to <u>uieservices.mt.gov</u> and select <u>Report UI</u> <u>Fraud</u> under the Helpful Links.

Or contact our fraud investigators by phone by calling (406) 444-0072 or email <u>dliuidci@mt.gov</u>.

You can remain anonymous!

Questions about Benefit Charges on your account?

Call the Employer Charging Phone Line at 406-444-0399. We are here to help! Hours 8 am - 4 pm (closed for lunch 12 - 1).