

January 23, 1984

LB 745

read on January 4 of this year. It was referred to the Business and Labor Committee for hearing. It was advanced to General File. I have no amendments to the bill, Mr. President.

PRESIDENT: Senator Barrett.

SENATOR BARRETT: Thank you, Mr. President and members. 745 is a bill which serves as really a legislative response to an opinion which was rendered by the Nebraska Supreme Court in April of 1983 involving Erspamer Advertising and the Department of Labor. In that case the court ruled that the old ABC test is merely putting in the statute codification of the common law test for determining an independent contractor's status. That particular decision overturned about forty years of precedent in this state so the Business and Labor Committee did hold an interim study. From that LR 145 emitted and what the bill actually does is simply return...return to the old three element ABC test as opposed now to the ten elements which the Department of Labor is asked to use. This has created considerable aggravation and confusion in the minds of the public who want to know prior to being investigated whether workers are actually employees or independent contractors. It came out of committee on an unanimous vote, one member being absent. I move the advancement of the bill to E & R Initial.

PRESIDENT: Is there further discussion on LB 745? Senator Higgins.

SENATOR HIGGINS: Thank you, Mr. President. Would Senator Barrett yield to a question please?

PRESIDENT: Senator Barrett.

SENATOR HIGGINS: Senator, what is the ABC test?

SENATOR BARRETT: The ABC test was a test used the Department of Labor for many, many years in trying to determine whether an employee was an independent contractor or not.

SENATOR HIGGINS: Yes, but what is it?