



# DOAA

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

January 17, 2024

Honorable Josh McLaurin  
State Senator  
323-A Coverdell Legislative Office Bldg.  
Atlanta, Georgia 31156

SUBJECT: Fiscal Note  
Senate Bill (LC 52 0342)

Dear Senator McLaurin:

This bill is intended to provide employment protections for freelance workers. It would mandate written contracts between workers and hiring entities, require entities to pay workers by a specific date, and create a program within the Department of Labor (GDOL) that allows workers to file a complaint alleging a violation of protections. The bill authorizes GDOL to request information needed to investigate complaints, determine appropriate remedies, and pursue legal action for the collection of claims and wages if needed. The bill also authorizes the Attorney General to pursue civil action against hiring entities with a demonstrated pattern of violations.

In addition to administering the complaint program, the bill requires GDOL to collect, track, and report information about complaints, including worker occupation, alleged violation, contract value, and hiring entity. GDOL would obtain this information in part through a survey of complainants about resolutions. GDOL would also be required to conduct a public awareness campaign about freelance protections and make sample contracts in English and five other commonly spoken languages in the state available online.

Estimated annual costs for GDOL are \$488,400, as shown in **Table 1**. This amount includes additional personnel, maintenance of an online portal, a public awareness campaign, and other ongoing costs (mailroom and other supplies and materials). In addition to annual costs, estimated start-up costs for GDOL are \$301,200, which include portal development, contract creation and translation, and webpage creation. Personnel and information technology costs are discussed in more detail below the table.

**Table 1: Estimated Costs for GDOL**

<b>Annual Costs</b>	<b>Amount</b>
Personnel	\$448,600
Information Technology (Portal Maintenance)	\$18,500
Mailroom Costs	\$10,800
Public Awareness Campaign	\$10,000
<u>Other Supplies and Materials</u>	<u>\$500</u>
<b>Total Annual</b>	<b>\$488,400</b>

<b>Initial, One-Time Costs</b>	<b>Amount</b>
Information Technology (Portal Development)	\$261,200
Contract Creation and Translation	\$34,000
<u>Webpage Creation</u>	<u>\$6,000</u>
<b>Total One-Time</b>	<b>\$301,200</b>

- **Personnel** – GDOL would need four employees to support the program, including one attorney, two programming analysts, and one assistant position. The attorney would perform legal duties associated with the program, including drafting legal documentation and providing documentation to appropriate individuals. The programming analysts would conduct complainant surveys, collect and report complainant data, and review data accuracy. The assistant position would assist program participants via phone or email. Personnel costs include approximately \$51,500 for program administration and technical support for the positions.
- **Information technology** – GDOL’s information technology department would create an online portal that would allow workers to submit complaints, facilitate information sharing and case tracking, and allow programming analysts to survey complainants upon case resolution. GDOL would incur annual portal maintenance costs and one-time costs associated with portal development, testing, and launch.

The cost estimate includes the following assumption and limitation:

- GDOL estimates that there are approximately 723,000 freelancers in Georgia and that 0.1% will file a complaint each year (723 complaints). This estimate was determined using information identified in a five-year report on similar legislation in New York City.
- The estimate does not include the potential cost of civil actions pursued by the Attorney General.

Respectfully,



Greg S. Griffin  
State Auditor



Richard Dunn, Director  
Office of Planning and Budget

GSG/RD/jm