Engage PEO Client Alert:

Iowa Update

In June 2020, Iowa Governor Kim Reynolds signed a new law that amends Iowa Workers' Compensation law to establish the circumstances during which certain independent contractors are not considered employees when such workers perform service while operating certain vehicles.

Per the new law, which takes effect July 1, 2021, independent contractors do not include an "employee" as defined below:

- "[A] natural person who is employed in this state for wages by an employer"; and
- "[A] commission salesperson who takes orders or perform services on behalf of a principal and who is paid on the basis of commission but does not include persons who purchase their own account for resale."

Please contact your HR Consultant if you have any questions.