



**PennState**  
Dickinson Law

**Center for Agricultural  
and Shale Law**



**PennState Extension**

Virtual Live Webinar

**AgWorks: Foundations of the Employer-  
Employee Relationship**

Tuesday, September 30, 2025 12:00 PM EST





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**Center for Agricultural  
and Shale Law**

# AgWorks

## Agricultural Workforce Services and Training



Pennsylvania

**Department of  
Labor & Industry**

This project is funded 100% with federal funds from a US Department of Labor grant totaling \$1,325,699.00 and 0% (\$0.00) non-federal funds. Auxiliary aids and services are available upon request to individuals with disabilities. Equal Opportunity Employer/Program.

# AgWorks:

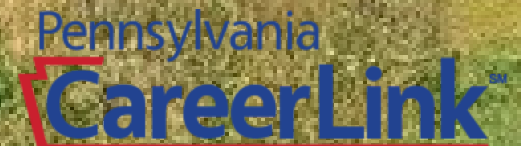
## Foundations of the Employer- Employee Relationship

The first in a 24-month webinar series on employment and labor law topics specifically for agricultural employers

**September 30, 2025**



Center for Agricultural  
and Shale Law





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#### **CENTER MISSION AND BACKGROUND**

The Center for Agricultural and Shale Law conducts research and educational programs to serve a wide variety of stakeholders including agricultural producers, landowners, mineral interest and royalty owners, business professionals, judges, attorneys, legislators, government officials, community groups, and the general public. Center programs are funded in part by the Commonwealth of Pennsylvania through the Pennsylvania Department of Agriculture. The Center for Agricultural and Shale Law is a partner of the National Agricultural Law Center (NALC) at the University of Arkansas System Division of Agriculture, which serves as the nation's leading source of agricultural and food law research and information.

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Welcome to the Center for Agricultural and Shale Law

## Agricultural Law Weekly Review

[SEE ALL AGRICULTURAL LAW WEEKLY REVIEWS »](#)

### Agricultural Law Weekly Review—April 29, 2025

Next Week: May 9, 2025, Understanding the Basics of PA Ag Exemptions for Inheritance Tax and Other Real Estate Transfers (rescheduled) Dairy Policy: USDA Issues Final Rule to Reauthorize Dairy Forward Pricing Program 🌾 On April 23, 2025, the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) published in the Federal Register a final rule (90 FR 16997), effective April 24, 2025, reauthorizing the Dairy Forward Pricing Program, which “allows farmers to voluntarily enter into forward price contracts with handlers for pooled milk used for Class II, III, or IV purposes under the Federal Milk Marketing Orders . . . [.]”

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# **AgWorks Webinar Series** *presented by Penn State Ag Law Center*

- Employment/labor law webinar series exclusively for agricultural/farm/food employers.
- Caveat: Many employment laws/regulations have special rules/exceptions/exemptions for “agriculture” and “farming” (which do not apply to food production or manufacturing).
- Penn State Extension’s [AgWorks Homepage](#) – much more than this employment law webinar series, see next slides
- **24 monthly webinars on employment law** from Sept. 2025 – Aug. 2027. Numbered AL1 through AL24.
  - AL1 – Sept. 30, 2025: [Employer-Employee Relationship](#)
  - AL2 – Oct. 28, 2025: [Legal Authority to Work and Pre-Employment Screening](#)
  - AL3 – Nov. 18, 2025: [I-9 Audits and ICE Raids – Protecting Your Business](#)
  - AL4 – Dec. 16, 2025: Compliance with Anti-Discrimination Laws (registration link to come.)
- [AgWorks Calendar of Events](#) (41 events on ag HR topics scheduled thru March 2026 & much more to come)

# AgWorks

HR-Hiring, Retention, Human Resources / AL-Laws & Regulations / BC-Business & Compensation / HS-Health & Safety

## September 2025

Series	Webinar Title	Date
HR 1	<a href="#">AgWorks: Managing for Trust</a>	September 25th
AL 1	<a href="#">AgWorks: Foundations of the Employer–Employee Relationship</a>	September 30th

## October 2025

Series	Webinar Title	Date
HR 2	<a href="#">AgWorks: An Overview of the Workforce System in Pennsylvania</a>	October 2nd
HR 3	<a href="#">AgWorks: Negotiating Across Diversity</a>	October 9th
HR 4	<a href="#">AgWorks: Managing Stress on the Farm</a>	October 16th
HR 5	<a href="#">AgWorks: Creating Connections with the PA CareerLink</a>	October 23rd
AL 2	<a href="#">AgWorks: Legal Authority to Work and Pre-Employment Screening</a>	October 28th
HR 6	<a href="#">AgWorks: Onboarding with the Future in Mind</a>	October 30th

## November 2025

Series	Webinar Title	Date
HR 7	<a href="#">AgWorks: Mentoring Programs to Improve Retention</a>	November 13th
AL 3	<a href="#">AgWorks: I-9 and ICE Raids: Protecting Your Business</a>	November 18th
HS 1	<a href="#">AgWorks: Navigating Health Insurance for Farm Workers</a>	November 19th
HR 8	<a href="#">AgWorks: Identify Your Leadership Styles</a>	November 20th

## December 2025

Series	Webinar Title	Date
BC 1	<a href="#">AgWorks: Farm Taxes - Year-end Tax Planning</a>	December 2nd
HR 9	<a href="#">AgWorks: Mastering Team Dynamics</a>	December 4th
BC 2	<a href="#">AgWorks: Farm Taxes - Basic Filing Requirements</a>	December 9th
HR 10	<a href="#">AgWorks: Managing Conflict</a>	December 11th
AL 4	<a href="#">AgWorks: Staying Compliant with Anti-Discrimination Laws</a>	December 16th
BC 3	<a href="#">AgWorks: Farm Taxes - Recordkeeping Practices</a>	December 16th

January 2026

Series	Webinar Title	Date
BC 4	AgWorks: Farm Taxes - How Your Tax is Calculated	January 6th
BC 5	AgWorks: Farm Taxes - How Business Entities are Taxed	January 13th
HR 11	AgWorks: HR Compliance Made Simple	January 14th
BC 6	AgWorks: Record Keeping and Cash Flow for a Strong Business	January 14th
HR 12	AgWorks: Creating Your Workplace Culture	January 15th
BC 7	AgWorks: Farm Taxes - Special Rules for Farm Income	January 20th
BC 8	AgWorks: USDA Preparing to Participate	January 21st
HR 13	AgWorks: Transforming Meetings into Results	January 22nd
BC 9	AgWorks: Farm Taxes - Is it a Hobby or a Farm Business	January 27th
HR 14	AgWorks: Ready to Hire?	January 28th
HR 15	AgWorks: Planning for Effective Communication	January 29th



For more information about the AgWorks program, contact [agworks@psu.edu](mailto:agworks@psu.edu)

February 2026

Series	Webinar Title	Date
BC 10	AgWorks: Farm Taxes - The Tax Side of Agritourism	February 3rd
HR 16	AgWorks: Smart Hiring & Onboarding	February 11th
HR 17	AgWorks: Unlocking Self-Motivation in Others	February 12th
HS 2	AgWorks: Helping Employees Achieve Work/Life Balance	February 20th
HR 18	AgWorks: Employee Records and Compliance	February 25th
HR 19	AgWorks: Giving Feedback to Others	February 26th
HS 3	AgWorks: Helping Employees Recognize Stigma On the Job	February 27th

March 2026

Series	Webinar Title	Date
BC 11	AgWorks: Retirement Plans for the Self-Employed Farmer	March 3rd
BC 12	AgWorks: Insurance Options for Farmers and Small Businesses	March 6th
HS 4	AgWorks: Helping Employees Manage Stress	March 6th
HR 20	AgWorks: Ending Employment the Right Way	March 11th
BC 13	AgWorks: Medicare Planning	March 17th
BC 14	AgWorks: Zero-Based Budgeting	March 24th
BC 15	AgWorks: Social Security Planning	March 31st



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Pennsylvania  
Department of Agriculture  
AG BUSINESS DEVELOPMENT CENTER

*Understanding Agricultural Law Educational Program*

Friday, October 31, 2025, 12pm ET via Zoom.

# Immigration Compliance: I-9s, I-9 Audits and ICE Raids

**Guest Presenter: Jacob Monty, Esq., Monty & Ramirez LLP, Houston TX**



**MONTY & RAMIREZ LLP**  
ATTORNEYS AT LAW  
EMPLOYMENT | LABOR | IMMIGRATION

Increased immigration enforcement under the current administration has become a topic of concern for agricultural employers as recent enforcement activities have begun to target farms, production plants, and meatpacking facilities. This special guest presentation will provide updates on immigration policy, including new guidance effective September 2025 on work visa interview waivers and the expiration of Temporary Protected Status (TPS), and practical guidance for employers, including I-9 form verification and employer rights in the event of workplace investigative enforcement or “ICE Raid.”

[https://psu.zoom.us/webinar/register/5717585577909/WN\\_DA0JZ\\_5\\_TiKJxIVLZ\\_smLw#/registration](https://psu.zoom.us/webinar/register/5717585577909/WN_DA0JZ_5_TiKJxIVLZ_smLw#/registration)



# Legal Foundations of the Employer – Employee Relationship

- Employment-at-Will
- Public Policy Exceptions to Employment-at-Will
- Willful Misconduct and Just Cause
- Respondeat Superior and Vicarious Liability
- Negligent Acts Committed by An Employee
- Employee vs. Independent Contractor
- Workers' Compensation Statutory Employer & Immunity

KEY:

ER = employer EE = employee

Emp = employment

# At-Will Employment

- PA law follows the employment-at-will doctrine, which is nearly universal in all U.S. states.

**At-Will Employment** = An employer (“ER”) may terminate an employee (“EE”) at any time, for any reason or no reason at all, UNLESS:

1. the reason is **contrary to a law** (ex: anti-discrimination or whistleblower laws)
  2. the reason violates a court-recognized **public policy exception**
  3. there exists an employment contract: (a) for a defined term or (b) containing a “for cause” termination standard.
- An ER may also similarly change the terms of “at-will” emp. - subject to the same basic exceptions.
  - Trade off: An EE may leave a job at any time, for any or no reason, without legal consequences.
  - All emp. is presumed at-will and the burden is on the EE to prove otherwise.



# Disproving At-Will Employment

## *Establish:*

1. an agreement for a definite duration (“term”) – fixed or minimum
  2. an agreement with a “for cause” (or “just cause”) dismissal standard.
  3. *Newer concept:* “additional consideration” given to the employer other than the services engaged to perform. Example: EE Quit job, sold house, and moved family – still a tough case to prove/win.
- Collective bargaining agreements contain express “for cause” standard.
  - Very hard to prove a *verbal* agreement for these terms, but possible.
  - An “implied contract” may allegedly arise from an employee handbook containing a “for cause” dismissal standard, but a tough case to prove (especially if the handbook says it “is not an employment contract”)

# Public Policy Exception to At-Will

- This argument arises in “wrongful discharge” suits filed by an at-will EE.
- PA Supreme Court has said:
  - It must be a clear public policy articulated in the constitution, in legislation, an administrative regulation, or a judicial decision.
  - A stated public policy must be applicable directly to the EE and the EE’s actions.
  - There is a strong legal presumption that all non-contractual employment relations are at-will.
  - Courts are “precluded from creating and forming public policy with respect to wrongful discharge on their own initiative, in the absence of a constitutional or legislative pronouncement related to such a policy.”
  - Public policy must “strike at the heart of a citizen’s social right, duties and responsibilities.”

# Public Policy Exceptions to At-Will in PA

- Performing a scheduled public duty (jury duty)
- Refusal to take a polygraph test.
- Filing an unemployment (UC) or workers' compensation (WC) claim.
- Supervisor failure to dissuade subordinate EE from filing a UC or WC claim.
- EE reports health and safety violations, if the EE's position is required by law to do so (does not apply if there is no legal duty or violations are unsubstantiated).
- EE reporting waste, mismanagement or violations of law by ER.
  - PA Whistleblower Law prohibits adverse employment action and applies to ERs who are "a public body," "a body funded by public body," or engage in the "performance of work for or the provision of services to a public body." It is still in dispute how much accepting Medicaid/Medicare payments make a health care provider subject to this law.

# Public Policy Exceptions in PA (cont.)

- Making OSHA complaint to OSHA (not to anyone else, including co-workers).
  - During COVID, Philadelphia enacted a City Ordinance prohibiting and ER from adverse action against an EE who refuses to work if EE reasonably believes the workplace is unsafe and 1<sup>st</sup> reports the conditions to the ER w/o action.
- Criminal record history if “does not relate to suitability for employment in the position” at issue. Still an open question as to whether this applies to private ERs.
  - Philadelphia has enacted a “Ban the box” ordinance applicable to all ERs. Only convictions can be considered & can not ask about “less than a conviction”; only permitted after a conditional offer of employment made; and only deemed relevant if creates “unacceptable risk” to ER or other people.
- Expressing disagreement with ER’s legislative agenda or refusing to lobby on ER’s behalf.
- PA Supreme Court rejected a public policy exception for discharging an at-will EE for being hospitalized for illness.



# “Just Cause” & Willful Misconduct

“*Willful Misconduct*” is one customary measuring stick for determining what is considered “cause” or “just cause” for termination when an employment relationship is not at-will.

- This is the borrowed standard for determining eligibility for unemployment compensation benefits claims filed under Pennsylvania’s Unemployment Compensation Law. It is the most concrete standard that exists. Oddly, it is not defined in the law itself. All terminated at-will employees, remain eligible for unemployment compensation benefits, unless “willful misconduct” is established. At-will employment may foreclose a claim of breach of employment contract/wrongful discharge, but it does not prevent the financial cost to the ER of an unemployment compensation benefit claim.

The PA Supreme Court defines *willful misconduct* as:

- a) wanton or willful disregard for an employer’s interests;
- b) deliberate violation of an employer’s rules;
- c) disregard for standards of behavior which an employer can rightfully expect of an employee; or
- d) negligence indicating an intentional disregard of the employer’s interest or an employee’s duties or obligations.



# Violation of a Workplace Rule as “Cause”

If an EE’s willful misconduct is a violation of a workplace rule, the ER has the burden to show that:

1. the EE was aware that the work rule existed;
  2. the EE violated the rule; and
  3. the EE’s actions were intentional or deliberate.
- Not every justifiable termination of a non-at-will employee is willful misconduct under the PA’s Unemployment Compensation Law, because in an unemployment claim consideration is given to the reasons for an employee’s noncompliance with a workplace rule. But these concepts provide the basis for understanding more fully the alternative to the at-will employment doctrine.



# Takeaways – on Employment At-Will

Based upon the inequality in the ER – EE relationship inherent in at-will employment, it becomes apparent why:

- Employment contracts, especially those for a defined term, are rarely used, unless insisted upon by the EE.
- Laws were enacted requiring unemployment compensation and workers' compensation, regulating working conditions, wage and hour standards, and family and medical leave, and authorizing collective bargaining.
- Creating a dependence upon continuous uninterrupted employment, sometimes with a single employer, as the sole means of securing health insurance, health care, and retirement savings for entire families magnifies the inherent inequities of the at-will employment doctrine.



# Master–Servant and Respondeat Superior

*Before the terminology “employer – employee relationship,” the relevant legal relationship was called “master and servant” – borrowed from England where the U.S. legal system originated. The same basic legal concepts created then are still in effect.*

## ***Respondeat Superior***

- Respondeat superior applies in Pennsylvania and across the U.S., *i.e.*, a master is liable for damages caused by his servant if the servant’s conduct was ***within the course and scope*** of his employment.
- EEs are considered ***agents*** of the ER, who are termed ***principals*** - but if not acting within the course and scope of employment, then respondeat superior liability does not exist.
- ***Note:*** While the ER may be liable to a third party, this does not release the EE from liability. However, it can increase the available insurance coverage!



# Vicarious Liability – of Employers

- “In the context of vicarious liability, a principal is liable to third parties for the frauds, deceits, concealments, misrepresentations, torts, negligent acts and other malfeasances of his agent, even though the principal did not authorize, justify, participate in or know of such conduct or even if he forbade the acts or disapproved of them, as long as they occurred within the agent’s scope of employment.” [\*Travelers Cas. & Sur. Co. v. Castegnaro\*, 565 Pa. 246, 252, 772 A.2d 456, 460 \(2001\).](#)
- Why? This is based upon the “agency” of the EE. The law considers it more reasonable for the principal, who has placed the agent in a position of trust and confidence, to be the one to suffer from the wrongful act of the agent, than an innocent stranger.

# What is within the scope of employment?

To be considered within the scope of employment, an employee's conduct must:

1. be of a kind the employee was employed to perform;
2. occur substantially within the authorized time and space limits; *and*
3. it must be actuated, at least in part, by a purpose to serve the employer.

Common issues: EE commuting to and from work, on the work premises before or after work hours, attending to personal matters during workday, such as eating, use of restroom or other break times, "side trips" and personal errands while traveling by vehicle.

If the activity is done upon the employer's premises or with its "instrumentalities" is important, but not conclusive.

## Scope of employment (cont.)

- **Within scope** = If the **employer assumes control** over the general conduct of the employee during the activity at issue.
- **Not within scope** = If the activity is **merely permitted** by the employer for the personal convenience of the employee to make the employment more desirable.
- Defining job duties in a position description can be helpful.

# Scope of employment (cont.)

- “Going and Coming Rule” – commuting is not in the scope.
  - Emp. Contract Exception – ER controlled means of commuting and covered cost or expense.
  - Special Mission for ER during commute.
- “Traveling EE” – EE has no fixed place of work. Considered within the scope from moment leaves home, unless or until “abandons” employment purposes for the day.
- Scope of employment can be exited and re-entered during workday.
- Consumption of drugs or alcohol do not automatically remove EE from the scope.
  - PA’s Medical Marijuana Act does not prevent ER from prohibiting consumption on ER’s premises or being under the influence while working for ER, if conduct falls below standard of care for the position held.



# When is someone not an “Employee?”

- PA law (and most states): An employer is not liable for an act or omission committed, or harm caused, by an *independent contractor* or an independent contractor’s employees.
- And, **100% of the laws and regulations that apply to the employer-employee relationship DO NOT APPLY TO INDEPENDENT CONTRACTORS.** Including income tax withholding and all the federal and state required payroll deductions.
- What is an Employee (issued a W-2) vs. what is an Independent Contractor (issued a Form 1099)?
- KEY: the amount of **authority** over the work & **control** exercised.
- Added benefit – premiums go down for most insurance.



# Independent Contractors

Fundamental question to be answered in all contexts:

*Whether the person is subject to the alleged employer's control or right to control in the conduct and performance of the services for which hired.*

Engaging an independent contractor “implies that the contractor is independent in the manner of doing the work contracted for. How can the other party control the contractor who is engaged to do the work, and who presumably knows more about doing it than the man who by contract authorized him to do it? Responsibility goes with authority.” *Silveus v. Grossman*, 307 Pa. 272, 278, 161 A. 362, 364 (1932).



- **No “hard and fast rule” exists. Multiple factors are required to be considered:**
  1. Control of the manner in which the work is to be done;
  2. Responsibility for the result only;
  3. The terms of the agreement between the parties;
  4. The nature of the work or occupation;
  5. The skill required to perform the work;
  6. Whether one is engaged in a distinct occupation or business;
  7. Which party supplied the tools;
  8. Whether payment is by the time or by the job;
  9. Whether the work is part of the regular business of the employer; and
  10. The right to terminate the employment at any time.



- None of these factors is “absolutely dispositive” of a person’s status.
- Each case must be determined on its own facts.
- Although each factor is relevant, certain things are primary in determining employee status: control over the work to be completed and the manner in which the employee is to perform the work.
- “. . . A long line of Pennsylvania cases has construed this exception narrowly, almost always finding that the hiring party did not exercise sufficient control over the contractor to impose liability on the hiring party for the contractor’s employee’s injury.” [Warnick v. The Home Depot U.S.A., Inc., 516 F. Supp. 2d 459, 468 \(E.D. Pa. 2007\)](#)



- The right of control must go beyond a general right to order work stopped or resumed, to inspect its progress, to make suggestions, or to prescribe alterations or deviations.
- There must be such a retention of the right of supervision by the employer of the contractor that the contractor is not entirely free to do the work in his own way.
- **The contexts in which the “employee vs. independent contractor” legal question arises are far-reaching:**
  - Legal liability to third parties.
  - Workers’ Compensation obligations & “statutory employer” concepts.
  - Payroll and tax withholding obligations.
  - Regulations of terms of employment: OT, minimum wage (Wage & Hour)
  - All safety, OSHA, etc. requirements – apply to “employees.”
  - The list goes on and on . . .



# Workers' Compensation = ER Immunity

- If a person is determined to be an employee, then their employer is legally immune from all forms of liability claims for injury of any kind incurred in the course and scope of employment.
- Iron-clad rule: WC is the exclusive remedy against one's employer for all injuries in the workplace, including compensation for the injury itself and wage loss.
- Claims against other parties are not impacted (tool mfg, other party in workplace, etc.)
- This is the trade-off for legally requiring WC coverage.
- COVID created some complex arguments in attempting to circumvent this immunity at meatpacking plants.

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# QUESTIONS? / DISCUSSION

# AgWorks



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***THANK YOU!***