

FINAL BILL REPORT

SHB 2058

C 242 L 95 Synopsis as Enacted

Brief Description: Defining employment.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representative Robertson).

House Committee on Commerce & Labor
Senate Committee on Labor, Commerce & Trade

Background: For purposes of coverage under unemployment insurance, employment is defined as personal services performed for wages or under contract providing for the performance of personal services.

Some services performed by individuals for payment may not be considered employment for purposes of unemployment insurance coverage. An individual must show the following to qualify as an independent contractor and not an employee: (1) That he or she is free from control or direction over the performance of the services, (2) that the service performed is outside the normal course of the business for which the service is performed or that the service is not performed on the premises of the business for which the service is performed, and (3) that the individual is independently engaged in a similar occupation or business to that for which the service is performed. In 1991, additional criteria were established that would allow services performed to be excluded from an employment relationship.

Services performed for payment may not be considered employment if they are exempted by statute. Examples include services performed by musicians or entertainers, insurance agents and brokers, real estate agents and brokers, barbers and cosmetologists.

Summary: For purposes of unemployment insurance coverage, employment does not include services performed by an outside agent who sells or arranges for travel services that are provided to a travel agent if the outside agent is paid by commission.

Votes on Final Passage:

House	96	0	
Senate	47	0	(Senate amended)
House			(Amendment ruled beyond scope)
Senate	47	0	(Senate receded)

Effective: July 23, 1995