

HOUSE BILL REPORT

ESHB 2477

As Amended by the Senate

Title: An act relating to employment agencies.

Brief Description: Adding theatrical agencies to definition of employment agency.

Sponsors: By House Committee on Commerce/Lab (originally sponsored by Representatives Schoesler, McMorris, Chandler, Mulliken, Sump, Honeyford and Sheahan).

Brief History:

Committee Activity:

Commerce & Labor: 1/21/98, 2/2/98 [DPS].

Floor Activity:

Passed House: 2/10/98, 96-0.

Senate Amended.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives McMorris, Chairman; Honeyford, Vice Chairman; Conway, Ranking Minority Member; Wood, Assistant Ranking Minority Member; Boldt; Clements; Cole; Hatfield and Lisk.

Staff: Pam Madson (786-7166).

Background: Employment agencies must be licensed by the Department of Licensing and must comply with certain requirements covering the form and substance of contracts with customers, fees that may be charged for services, disclosure to customers of information about the agency and customer's complaint procedures. An agency that operates without a license may be sued by its customers for amounts paid to the agency. A court may award the customer as damages in a lawsuit, three times the amount paid and any attorney's fees and costs.

Theatrical agencies are specifically excluded from requirements and regulations that apply to employment agencies. Among those businesses that are defined as theatrical agencies are modeling agencies. A modeling agency that obtains or attempts to obtain employment for customers in the field of entertainment or modeling are not subject to

the provisions regulating and licensing employment agencies and providing penalties for violation of these requirements. In addition, proprietary schools are not subject to laws regulating and licensing employment agencies.

Summary of Bill: The term "theatrical agency" which includes a modeling agency is excluded from the definition of an employment agency. This exclusion removes theatrical agencies, including modeling agencies, from the licensing and regulatory requirements and penalty provisions applied to employment agencies. However, any person who charges an applicant a fee prior to engaging in the following activities, is not considered a theatrical agency: (1) Procuring employment for the applicant; (2) providing information regarding where and from whom employment may be obtained; (3) allowing or requiring participation in an instructional class, audition or career counseling; or (4) allowing eligibility for employment through the person charging a fee.

Proprietary schools are exempt from laws governing employment agencies only to the extent of the activities for which they are otherwise licensed.

EFFECT OF SENATE AMENDMENT(S): Technical correction, deletes an unnecessary reference to theatrical agencies.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Families in the Spokane area responded to a search being conducted for modeling candidates. The search was connected with a particular modeling school. Individuals were told that the agent could get them jobs right away. The candidate's family researched the school by checking with the Better Business Bureaus. They were told by individuals connected with the modeling school that attending a modeling school would help the candidate's chances of employment. In addition, expensive photo shoots were paid for by the candidates and their families. Some families traveled to other states for these photo shoots on the recommendation of agents connected to the modeling school and cooperating modeling agencies. No job opportunities resulted after much expense and time spent relying on the promise of jobs made by the person connected with the modeling school.

Testimony Against: None.

Testified: (pro) Representative Mark Schoesler, prime sponsor; and Bobbie Sue Hille.