SENATE BILL REPORT

ESHB 2477

As Reported By Senate Committee On: Commerce & Labor, February 26, 1998

Title: An act relating to employment agencies.

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

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

Brief History:

Committee Activity: Commerce & Labor: 2/24/98, 2/26/98 [DPA].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

Staff: Genevieve Pisarski (786-7488)

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 Amended 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.

Amended Bill Compared to Original Bill: The words "theatrical agency" are removed from the definition of "employment agency" for consistency with the remaining provisions.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: There have been problems with unscrupulous operators. This bill should pass with the technical correction.

Testimony Against: None

Testified: PRO: Representative Schoesler, prime sponsor; Michael Transue, Seattle Models Guild.