
HOUSE BILL 3083

State of Washington

55th Legislature

1998 Regular Session

By Representatives Hickel and McMorris

Read first time . Referred to Committee on .

1 AN ACT Relating to employee leasing; adding a new section to
2 chapter 51.16 RCW; and adding a new section to chapter 51.08 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 51.16 RCW
5 to read as follows:

6 (1) An employee leasing company shall be considered the sole
7 employer under this title of the employees it leases to another
8 business customer if the employee leasing company:

9 (a) Retains the sole and exclusive right to:

10 (i) Hire, terminate, and transfer leased employees;

11 (ii) Pay leased employees from the employee leasing company's own
12 payroll; and

13 (iii) Direct, control, and evaluate the manner and means of the
14 performance of services by leased employees, allowing the customer to
15 be responsible only for the direction of the operational duties of the
16 leased employees; and

17 (b) Is responsible for:

1 (i) Paying the leased employees, throughout the duration of their
2 employment, regardless of receiving reimbursed payroll or other fees
3 from the customer;

4 (ii) Paying all payroll and related taxes and benefit costs from
5 its own account and under its own name; and

6 (iii) Securing coverage under this title with respect to the leased
7 employees under its own account and its own name; and

8 (c) Receives fees or other compensation from the customer on a
9 total-fee basis, rather than on a direct cost pass-through basis.

10 (2) An employee leasing company that is considered a sole employer
11 under this section is an "employer" for immunity from liability as
12 provided in this title.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 51.08 RCW
14 to read as follows:

15 "Employee leasing company" means a business that provides workers
16 to another business, under a written agreement, for job positions that
17 are not short-term, temporary, or for a defined period of time.

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