

---

**SUBSTITUTE HOUSE BILL 1763**

---

**State of Washington**

**64th Legislature**

**2015 Regular Session**

**By** House Business & Financial Services (originally sponsored by Representatives Van De Wege, Lytton, Riccelli, and Tharinger)

READ FIRST TIME 02/20/15.

1 AN ACT Relating to regulating music licensing agencies; amending  
2 RCW 18.235.020; adding a new chapter to Title 19 RCW; prescribing  
3 penalties; and providing an effective date.

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

5 NEW SECTION. **Sec. 1.** The definitions in this section apply  
6 throughout this chapter unless the context clearly requires  
7 otherwise.

8 (1) "Department" means the department of licensing.

9 (2) "Music licensing agency" means any individual, partnership,  
10 association, limited liability company, limited liability  
11 partnership, trust, corporation, and any other legal entity of two or  
12 more copyright owners or proprietors, which has or claims the  
13 exclusive or nonexclusive authority to issue, grant, or to contract  
14 for performing rights licenses for two or more copyright owners.

15 (3) "User" means any person who, directly or indirectly, performs  
16 or causes to be performed, musical composition for profit.

17 NEW SECTION. **Sec. 2.** A music licensing agency that licenses the  
18 performing rights to music may not license or attempt to license the  
19 use of or collect or attempt to collect any compensation on account

1 of any sale, license, or other disposition regarding the performance  
2 rights of music unless the music licensing agency:

3 (1) Files annually with the secretary of state in duplicate a  
4 certified copy of each performing rights contract or license  
5 agreement made available from the music licensing agency or copyright  
6 owner to any user within the state;

7 (2) Completes an initial or renewal application for a music  
8 licensing agency license on a form for this purpose, furnished by the  
9 department;

10 (3) Pays the initial or renewal licensing fees as established by  
11 the department; and

12 (4) Has a valid Washington unified business identifier number.

13 NEW SECTION. **Sec. 3.** A music licensing agency must make  
14 available electronically to business proprietors the most current  
15 available list of members and affiliates represented by the music  
16 licensing agency and the most current available list of the performed  
17 works that the agency licenses.

18 NEW SECTION. **Sec. 4.** Separate from any fines imposed under  
19 chapter 18.235 RCW, a music licensing agency is subject to a civil  
20 penalty of not more than one thousand dollars for each separate  
21 violation of this chapter. Multiple violations on a single day may be  
22 considered separate violations. The penalty may be imposed by the  
23 department or in any court of competent jurisdiction and may be  
24 imposed separately and in addition to any private party claims for  
25 violations under this chapter.

26 NEW SECTION. **Sec. 5.** (1) A person employed by or working as a  
27 contractor or agent for a music licensing agency may not enter onto  
28 the premises of a proprietor's business for the purpose of seeking or  
29 establishing a basis for seeking payment or a contract for payment of  
30 royalties for the use of copyrighted works by that proprietor without  
31 first identifying himself or herself to the proprietor or the  
32 proprietor's employees and disclosing that the person is acting on  
33 behalf of a music licensing agency and disclosing the purposes for  
34 being on the premises.

35 (2) A person employed by or working as a contractor or agent for  
36 a music licensing agency must provide at least twenty-four hours'  
37 notice before entering the premises of a proprietor's business.

1        NEW SECTION.    **Sec. 6.**    The legislature finds that the practices  
2 covered by section 5 of this act are matters vitally affecting the  
3 public interest for the purpose of applying the consumer protection  
4 act, chapter 19.86 RCW. A violation of this chapter is not reasonable  
5 in relation to the development and preservation of business and is an  
6 unfair or deceptive act in trade or commerce and an unfair method of  
7 competition for the purpose of applying the consumer protection act,  
8 chapter 19.86 RCW.

9        NEW SECTION.    **Sec. 7.**    In collaboration with the office of the  
10 attorney general, the department shall conduct a consumer alert  
11 campaign to inform business proprietors of their rights and  
12 responsibilities regarding the public performance of copyrighted  
13 music. The consumer alert campaign must be paid for with fees  
14 collected pursuant to section 2 of this act and penalties imposed  
15 pursuant to sections 4 and 8 of this act.

16        NEW SECTION.    **Sec. 8.**    The uniform regulation of business and  
17 professions act, chapter 18.235 RCW, governs unlicensed practice, the  
18 issuance and denial of licenses, and the discipline of licensees  
19 under this chapter.

20        NEW SECTION.    **Sec. 9.**    (1) The director of licensing is hereby  
21 authorized to adopt reasonable rules not in conflict with provisions  
22 hereof for the proper operation and enforcement of this chapter.

23        (2) The director shall set all license and renewal fees in  
24 accordance with RCW 43.24.086.

25        **Sec. 10.**    RCW 18.235.020 and 2013 c 322 s 29 are each amended to  
26 read as follows:

27        (1) This chapter applies only to the director and the boards and  
28 commissions having jurisdiction in relation to the businesses and  
29 professions licensed under the chapters specified in this section.  
30 This chapter does not apply to any business or profession not  
31 licensed under the chapters specified in this section.

32        (2)(a) The director has authority under this chapter in relation  
33 to the following businesses and professions:

34        (i) Auctioneers under chapter 18.11 RCW;

35        (ii) Bail bond agents and bail bond recovery agents under chapter  
36 18.185 RCW;

1 (iii) Camping resorts' operators and salespersons under chapter  
2 19.105 RCW;

3 (iv) Commercial telephone solicitors under chapter 19.158 RCW;

4 (v) Cosmetologists, barbers, manicurists, and estheticians under  
5 chapter 18.16 RCW;

6 (vi) Court reporters under chapter 18.145 RCW;

7 (vii) Driver training schools and instructors under chapter 46.82  
8 RCW;

9 (viii) Employment agencies under chapter 19.31 RCW;

10 (ix) For hire vehicle operators under chapter 46.72 RCW;

11 (x) Limousines under chapter 46.72A RCW;

12 (xi) Notaries public under chapter 42.44 RCW;

13 (xii) Private investigators under chapter 18.165 RCW;

14 (xiii) Professional boxing, martial arts, and wrestling under  
15 chapter 67.08 RCW;

16 (xiv) Real estate appraisers under chapter 18.140 RCW;

17 (xv) Real estate brokers and salespersons under chapters 18.85  
18 and 18.86 RCW;

19 (xvi) Scrap metal processors, scrap metal recyclers, and scrap  
20 metal suppliers under chapter 19.290 RCW;

21 (xvii) Security guards under chapter 18.170 RCW;

22 (xviii) Sellers of travel under chapter 19.138 RCW;

23 (xix) Timeshares and timeshare salespersons under chapter 64.36  
24 RCW;

25 (xx) Whitewater river outfitters under chapter 79A.60 RCW;

26 (xxi) Home inspectors under chapter 18.280 RCW;

27 (xxii) Body artists, body piercers, and tattoo artists, and body  
28 art, body piercing, and tattooing shops and businesses, under chapter  
29 18.300 RCW; (~~and~~)

30 (xxiii) Appraisal management companies under chapter 18.310 RCW;  
31 and

32 (xxiv) Music licensing agencies under chapter 19.--- RCW (the new  
33 chapter created in section 11 of this act).

34 (b) The boards and commissions having authority under this  
35 chapter are as follows:

36 (i) The state board for architects established in chapter 18.08  
37 RCW;

38 (ii) The Washington state collection agency board established in  
39 chapter 19.16 RCW;

1 (iii) The state board of registration for professional engineers  
2 and land surveyors established in chapter 18.43 RCW governing  
3 licenses issued under chapters 18.43 and 18.210 RCW;

4 (iv) The funeral and cemetery board established in chapter 18.39  
5 RCW governing licenses issued under chapters 18.39 and 68.05 RCW;

6 (v) The state board of licensure for landscape architects  
7 established in chapter 18.96 RCW; and

8 (vi) The state geologist licensing board established in chapter  
9 18.220 RCW.

10 (3) In addition to the authority to discipline license holders,  
11 the disciplinary authority may grant or deny licenses based on the  
12 conditions and criteria established in this chapter and the chapters  
13 specified in subsection (2) of this section. This chapter also  
14 governs any investigation, hearing, or proceeding relating to denial  
15 of licensure or issuance of a license conditioned on the applicant's  
16 compliance with an order entered under RCW 18.235.110 by the  
17 disciplinary authority.

18 NEW SECTION. **Sec. 11.** Sections 1 through 9 and 12 of this act  
19 constitute a new chapter in Title 19 RCW.

20 NEW SECTION. **Sec. 12.** This act takes effect January 1, 2016.

--- END ---