

CERTIFICATION OF ENROLLMENT

**SENATE BILL 5771**

Chapter 120, Laws of 1995

54th Legislature  
1995 Regular Session

Unemployment compensation--Third party employers

EFFECTIVE DATE: 7/23/95

Passed by the Senate March 10, 1995  
YEAS 44 NAYS 0

JOEL PRITCHARD

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**President of the Senate**

Passed by the House April 10, 1995  
YEAS 97 NAYS 0

CLYDE BALLARD

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**Speaker of the  
House of Representatives**

Approved April 20, 1995

MIKE LOWRY

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**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5771** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

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**Secretary**

FILED

April 20, 1995 - 1:12 p.m.

**Secretary of State  
State of Washington**

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**SENATE BILL 5771**

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Passed Legislature - 1995 Regular Session

**State of Washington                      54th Legislature                      1995 Regular Session**

**By** Senators Pelz, Newhouse and Deccio; by request of Employment Security Department

Read first time 02/06/95. Referred to Committee on Labor, Commerce & Trade.

1            AN ACT Relating to third party employers; adding a new section to  
2 chapter 50.04 RCW; and creating a new section.

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

4            NEW SECTION.    **Sec. 1.** A new section is added to chapter 50.04 RCW  
5 to read as follows:

6            (1) Subject to the other provisions of this title, personal  
7 services performed for, or for the benefit of, a third party pursuant  
8 to a contract with a temporary services agency, employee leasing  
9 agency, services referral agency, or other entity shall be deemed to be  
10 employment for the temporary services agency, employee leasing agency,  
11 services referral agency, or other entity when the agency is  
12 responsible, under contract or in fact, for the payment of wages in  
13 remuneration for the services performed.

14            (2) For the purposes of this section:

15            (a) "Temporary services agency" means an individual or entity that  
16 is engaged in the business of furnishing individuals to perform  
17 services on a part-time or temporary basis for a third party.

1 (b) "Employee leasing agency" means an individual or entity that  
2 for a fee places the employees of a client onto its payroll and leases  
3 such employees back to the client.

4 (c) "Services referral agency" means an individual or entity that  
5 is engaged in the business of offering the services of an individual to  
6 perform specific tasks for a third party.

7 NEW SECTION. **Sec. 2.** If any part of this act is found to be in  
8 conflict with federal requirements that are a prescribed condition to  
9 the allocation of federal funds to the state or the eligibility of  
10 employers in this state for federal unemployment tax credits, the  
11 conflicting part of this act is hereby declared to be inoperative  
12 solely to the extent of the conflict, and such finding or determination  
13 shall not affect the operation of the remainder of this act. The rules  
14 under this act shall meet federal requirements that are a necessary  
15 condition to the receipt of federal funds by the state or the granting  
16 of federal unemployment tax credits to employers in this state.

Passed the Senate March 10, 1995.

Passed the House April 10, 1995.

Approved by the Governor April 20, 1995.

Filed in Office of Secretary of State April 20, 1995.

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