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HOUSE BILL 1987

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State of Washington                      55th Legislature                      1997 Regular Session

By Representatives Honeyford, McMorris, Boldt and Clements

Read first time 02/17/97. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to exempting housekeepers referred by licensed  
2 employment agencies from unemployment compensation and industrial  
3 insurance coverage; amending RCW 50.04.160; and reenacting and amending  
4 RCW 51.12.020.

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

6            **Sec. 1.** RCW 50.04.160 and 1977 ex.s. c 292 s 4 are each amended to  
7 read as follows:

8            Services performed in domestic service in a private home, local  
9 college club, or local chapter of a college fraternity or sorority and  
10 services performed by a housekeeper referred by a licensed employment  
11 agency shall not be considered services in employment unless the  
12 services are performed after December 31, 1977, for a person who paid  
13 remuneration of one thousand dollars or more to individuals employed in  
14 this domestic service in any calendar quarter in the current or the  
15 preceding calendar year. The terms local college club and local  
16 chapter of a college fraternity or sorority shall not be deemed to  
17 include alumni clubs or chapters.

1       **Sec. 2.** RCW 51.12.020 and 1991 c 324 s 18 and 1991 c 246 s 4 are  
2 each reenacted and amended to read as follows:

3       The following are the only employments which shall not be included  
4 within the mandatory coverage of this title:

5       (1) Any person employed as a domestic servant in a private home by  
6 an employer who has less than two employees regularly employed forty or  
7 more hours a week in such employment.

8       (2) Any person employed to do gardening, maintenance, repair,  
9 remodeling, or similar work in or about the private home of the  
10 employer or a housekeeper referred by a licensed employment agency.

11       (3) A person whose employment is not in the course of the trade,  
12 business, or profession of his or her employer and is not in or about  
13 the private home of the employer.

14       (4) Any person performing services in return for aid or sustenance  
15 only, received from any religious or charitable organization.

16       (5) Sole proprietors or partners.

17       (6) Any child under eighteen years of age employed by his or her  
18 parent or parents in agricultural activities on the family farm.

19       (7) Jockeys while participating in or preparing horses for race  
20 meets licensed by the Washington horse racing commission pursuant to  
21 chapter 67.16 RCW.

22       (8)(a) Except as otherwise provided in (b) of this subsection, any  
23 bona fide officer of a corporation voluntarily elected or voluntarily  
24 appointed in accordance with the articles of incorporation or bylaws of  
25 the corporation, who at all times during the period involved is also a  
26 bona fide director, and who is also a shareholder of the corporation.  
27 Only such officers who exercise substantial control in the daily  
28 management of the corporation and whose primary responsibilities do not  
29 include the performance of manual labor are included within this  
30 subsection.

31       (b) Alternatively, a corporation that is not a "public company" as  
32 defined in RCW 23B.01.400(~~(+19+)~~) (20) may exempt eight or fewer bona  
33 fide officers, who are voluntarily elected or voluntarily appointed in  
34 accordance with the articles of incorporation or bylaws of the  
35 corporation and who exercise substantial control in the daily  
36 management of the corporation, from coverage under this title without  
37 regard to the officers' performance of manual labor if the exempted  
38 officer is a shareholder of the corporation, or may exempt any number  
39 of officers if all the exempted officers are related by blood within

1 the third degree or marriage. If a corporation that is not a "public  
2 company" elects to be covered under subsection (8)(a) of this section,  
3 the corporation's election must be made on a form prescribed by the  
4 department and under such reasonable rules as the department may adopt.

5 (c) Determinations respecting the status of persons performing  
6 services for a corporation shall be made, in part, by reference to  
7 Title 23B RCW and to compliance by the corporation with its own  
8 articles of incorporation and bylaws. For the purpose of determining  
9 coverage under this title, substance shall control over form, and  
10 mandatory coverage under this title shall extend to all workers of this  
11 state, regardless of honorary titles conferred upon those actually  
12 serving as workers.

13 (d) A corporation may elect to cover officers who are exempted by  
14 this subsection in the manner provided by RCW 51.12.110.

15 (9) Services rendered by a musician or entertainer under a contract  
16 with a purchaser of the services, for a specific engagement or  
17 engagements when such musician or entertainer performs no other duties  
18 for the purchaser and is not regularly and continuously employed by the  
19 purchaser. A purchaser does not include the leader of a group or  
20 recognized entity who employs other than on a casual basis musicians or  
21 entertainers.

22 (10) Services performed by a newspaper carrier selling or  
23 distributing newspapers on the street or from house to house.

24 (11) Services performed by an insurance agent, insurance broker, or  
25 insurance solicitor, as defined in RCW 48.17.010, 48.17.020, and  
26 48.17.030, respectively.

27 (12) Services performed by a booth renter as defined in RCW  
28 18.16.020. However, a person exempted under this subsection may elect  
29 coverage under RCW 51.32.030.

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