# Washington State House of Representatives Office of Program Research

# BILL ANALYSIS

## Labor & Workplace Standards Committee

## **HB 2724**

**Brief Description**: Concerning unemployment compensation for musicians.

**Sponsors**: Representatives Sells, Ormsby, McBride and Tarleton.

### **Brief Summary of Bill**

• Provides that for certain musicians, the required hours of covered employment for unemployment insurance eligibility is 504 hours rather than 680 hours.

**Hearing Date**: 1/22/18

**Staff**: Joan Elgee (786-7106).

## **Background:**

An individual performing services in employment is eligible to receive unemployment benefits if he or she: (1) worked at least 680 hours in covered employment in his or her base year; (2) was separated from employment through no fault of his or her own or quit work for good cause; and (3) is able to work and is actively searching for suitable work. The base year is generally the first four of the last five completed calendar quarters before the claimant applied for benefits. Eligible unemployed workers receive benefits based on wages received in the base year. The Employment Security Department administers unemployment insurance.

Some services are deemed not be services in employment and are not covered, such as services that meet an independent contractor test. With respect to musicians and entertainers, services performed under a written contract with a purchaser for a specific engagement when the musician or entertainer performs no other duties and is not regularly and continuously employed by the purchaser are not services in employment. However, a musician or entertainer who performs for a music or entertainment business or as a member of a music or entertainment group is an employee of the business or group. A music or entertainment business or group is an

House Bill Analysis - 1 - HB 2724

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employer whose principal business activity is music or entertainment. The term does not include entities who provide music or entertainment to members or patrons incidental to their principal business activity and does not include an individual employing musicians or entertainers on a casual basis.

#### **Summary of Bill:**

The 680 hours requirement for unemployment compensation eligibility is modified for certain musicians. For a musician who earns at least 75 percent of his or her base year wages as an employee of a music or entertainment business or as a member of a music or entertainment group, the individual must have worked at least 504 hours in covered employment in the musician's base year.

The provisions apply to new claims filed on or after January 5, 2020.

Appropriation: None.

**Fiscal Note**: Requested on January 16, 2018.

Effective Date: January 5, 2020