H-3610.1

HOUSE BILL 2724

State of Washington 65th Legislature 2018 Regular Session

By Representatives Sells, Ormsby, McBride, and Tarleton

Read first time 01/12/18. Referred to Committee on Labor & Workplace Standards.

- 1 AN ACT Relating to unemployment compensation for musicians; 2 amending RCW 50.04.030 and 50.04.148; creating a new section; and
- 3 providing an effective date.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 50.04.030 and 1991 c 117 s 1 are each amended to 6 read as follows:
 - "Benefit year" with respect to each individual, means the fifty-two consecutive week period beginning with the first day of the calendar week in which the individual files an application for an initial determination and thereafter the fifty-two consecutive week period beginning with the first day of the calendar week in which the individual next files an application for an initial determination after the expiration of the individual's last preceding benefit year((: PROVIDED, HOWEVER, That)).
 - (1) The foregoing limitation shall not be deemed to preclude the establishment of a new benefit year under the laws of another state pursuant to any agreement providing for the interstate combining of employment and wages and the interstate payment of benefits nor shall this limitation be deemed to preclude the commissioner from backdating an initial application at the request of the claimant either for the convenience of the ((department of)) employment

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security <u>department</u> or for any other reason deemed by the commissioner to be good cause.

- (2) An individual's benefit year shall be extended to be fifty-three weeks when at the expiration of fifty-two weeks the establishment of a new benefit year would result in the use of a quarter of wages in the new base year that had been included in the individual's prior base year.
- (3) Except as provided in RCW 50.04.148(2), no benefit year will be established unless it is determined that the individual earned wages in "employment" in not less than six hundred eighty hours of the individual's base year((: PROVIDED, HOWEVER, That)).
- (4) A benefit year cannot be established if the base year wages include wages earned prior to the establishment of a prior benefit year unless the individual worked and earned wages since the last separation from employment immediately before the application for initial determination in the previous benefit year if the applicant was an unemployed individual at the time of application, or since the initial separation in the previous benefit year if the applicant was not an unemployed individual at the time of filing an application for initial determination for the previous benefit year, of not less than six times the weekly benefit amount computed for the individual's new benefit year.
- (5) If an individual's prior benefit year was based on the last four completed calendar quarters, a new benefit year shall not be established until the new base year does not include any hours used in the establishment of the prior benefit year.
- (6) If the wages of an individual are not based upon a fixed duration of time or if the individual's wages are paid at irregular intervals or in such manner as not to extend regularly over the period of employment, the wages for any week shall be determined in such manner as the commissioner may by regulation prescribe. Such regulation shall, so far as possible, secure results reasonably similar to those which would prevail if the individual were paid his or her wages at regular intervals.
- **Sec. 2.** RCW 50.04.148 and 1985 c 47 s 1 are each amended to read as follows:
- 37 (1) The term "employment" shall not include services performed by 38 a musician or entertainer under a written contract with a purchaser 39 of the services for a specific engagement or engagements when such

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musician or entertainer performs no other duties for the purchaser and is not regularly and continuously employed by the purchaser. The contract shall designate the leader of the music or entertainment group. A music or entertainment business or a leader of a music or entertainment group shall be considered an employer and not a purchaser of music or entertainment services.

- (2) Any musician or entertainer who performs for a music or entertainment business or as a member of a music or entertainment group is deemed an employee of the business or group and the business or the leader of the group shall be required to register as an employer with the department. For a musician who earns at least seventy-five 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, no benefit year will be established unless it is determined that the individual earned wages in "employment" in not less than five hundred four hours of the individual's base year.
- (3) Purchasers of services under subsection (1) of this section shall not be subject to RCW 50.24.130 relating to a principal's liability for unpaid contributions if the services are purchased from a business or group registered as an employer with the department.
- (4) The term "music or entertainment business" or "group" as used in this section means an employer whose principal business activity is music or entertainment. The term does not include those entities who provide music or entertainment for members or patrons incidental to their principal business activity, and does not include an individual employing musicians or entertainers on a casual basis.
- NEW SECTION. Sec. 3. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.
- NEW SECTION. Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the

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- 1 remainder of the act or the application of the provision to other
- 2 persons or circumstances is not affected.
- 3 <u>NEW SECTION.</u> **Sec. 5.** This act takes effect January 5, 2020, for
- 4 new claims filed on or after January 5, 2020.

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