# **CHAPTER 548**

## (Senate Bill 470)

#### AN ACT concerning

### **Unemployment Insurance – Recreational Sports Officials – Coverage**

FOR the purpose of providing that certain work performed by a recreational sports official under certain circumstances is not covered employment for purposes of unemployment insurance; defining certain terms; and generally relating to coverage of recreational sports officials under unemployment insurance law.

BY repealing and reenacting, without amendments,

Article – Labor and Employment Section 8–205 Annotated Code of Maryland (2008 Replacement Volume)

BY adding to

Article – Labor and Employment Section 8–206(g) Annotated Code of Maryland (2008 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

#### **Article - Labor and Employment**

8-205.

Work that an individual performs under any contract of hire is not covered employment if the Secretary is satisfied that:

(1) the individual who performs the work is free from control and direction over its performance both in fact and under the contract;

(2) the individual customarily is engaged in an independent business or occupation of the same nature as that involved in the work; and

(3) the work is:

 $(i) \qquad \mbox{outside of the usual course of business of the person for whom the work is performed; or$ 

 $(\mathrm{ii})$   $\,$  performed outside of any place of business of the person for whom the work is performed.

8-206.

(G) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

- (II) "OFFICIATING SERVICES" MEANS:
  - 1. OVERSEEING THE PLAY OF A SPORTS EVENT;

2. JUDGING WHETHER THE RULES OF THE EVENT ARE BEING FOLLOWED; AND

**3.** PENALIZING PARTICIPANTS FOR FOULS OR INFRINGEMENTS OF THE RULES.

(III) 1. "RECREATIONAL SPORTS OFFICIAL" MEANS AN UMPIRE, A REFEREE, OR A JUDGE WHO CONTRACTS WITH A GOVERNMENTAL OR NONGOVERNMENTAL ENTITY TO PERFORM OFFICIATING SERVICES AT AMATEUR SPORTS EVENTS SPONSORED BY:

A. A UNIT OF COUNTY GOVERNMENT;

**B.** A UNIT OF A MUNICIPAL CORPORATION; OR

C. AN ENTITY ASSOCIATED WITH A COUNTY GOVERNMENT OR A MUNICIPAL CORPORATION.

2. "RECREATIONAL SPORTS OFFICIAL" DOES NOT INCLUDE ANY INDIVIDUAL <u>WHO PERFORMS OFFICIATING SERVICES IN COVERED</u> <u>EMPLOYMENT UNDER § 8–208(A) OR § 8–212(C) OF THIS SUBTITLE.</u> <del>EMPLOYED</del> BY A SCHOOL WHO SERVES AS A SPORTS-OFFICIAL:

A. AS REQUIRED BY THE EMPLOYING SCHOOL; OR

**B.** AS PART OF THE SPORTS OFFICIAL'S RESPONSIBILITIES DURING NORMAL SCHOOL HOURS.

(2) WORK <u>THAT CONSISTS OF OFFICIATING SERVICES</u> <u>PERFORMED BY A RECREATIONAL SPORTS OFFICIAL</u> IS NOT COVERED EMPLOYMENT WHEN PERFORMED BY—A RECREATIONAL SPORTS OFFICIAL UNDER THIS SUBSECTION IF THE SECRETARY IS SATISFIED THAT:

(I) THE RECREATIONAL SPORTS OFFICIAL HAS ENTERED INTO A WRITTEN AGREEMENT THAT IS IN EFFECT;

(II) THE AGREEMENT PROVIDES THAT THE RECREATIONAL SPORTS OFFICIAL:

1. MAY ACCEPT OR DECLINE AN ASSIGNMENT TO PROVIDE SERVICES FOR A GAME;

2. MAY PROVIDE OFFICIATING SERVICES FOR ANOTHER ORGANIZATION OR LEAGUE; AND

3. HAS SOLE CONTROL OVER THE CONDUCT OF THE

GAME; AND

(III) THE AGREEMENT EXPRESSLY STATES THAT THE RECREATIONAL SPORTS OFFICIAL KNOWS THAT:

1. THE SPORTS OFFICIAL IS RESPONSIBLE TO PAY STATE AND FEDERAL INCOME TAXES AND MAKE ANY REQUIRED SOCIAL SECURITY CONTRIBUTIONS FOR SELF-EMPLOYMENT; AND

2. THE WORK IS NOT COVERED EMPLOYMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October June 1, 2009.

Approved by the Governor, May 19, 2009.