

Dear Production Executive:

There is a disturbing practice that has taken hold in our production community. Many production companies are utilizing the erroneous practice of misclassifying freelance labor as independent contractors. Presumably this is an attempt to gain an unmerited financial advantage in the bidding process.

IATSE Local 488 has devoted its own resources to research this issue and has confirmed that this practice is in violation of state and federal law. Leadership at Local 488 consulted with their attorney as well as the Washington State Department of Labor and the Employment Security Department. In the course of this investigation it has been confirmed that labor is to be compensated through a proper W-2 payroll process with appropriate taxes withheld. It was further reconfirmed that work performed as a production crew member does not meet the IRS criteria or Washington State RCW's to be classified as an independent contractor.

IATSE Local 488 represents the vast majority of film and video technicians in the Northwest and is an active advocate for everyone who works in a freelance position regardless of membership in the IATSE. Local 488 feels that an essential element pursuant to this role is to promote a professional, stable and local crew base. The practice of misclassifying crew members deprives local technicians the protections granted by law, thereby depleting the integrity of the workforce.

It is also a priority of Local 488 to collaborate in development of the varied media industries in Washington State so that they can thrive and grow into robust companies. However, requiring crew to submit an invoice for compensation of labor as opposed to a proper W-2 timecard places the production company at significant risk. Not only are there liability concerns to address but if the practice falls subject to the scrutiny of the state and federal departments mentioned above there will likely be the discovery of significant unpaid payroll taxes and severe fines assessed.

It's important to acknowledge that most production companies do play by the rules. Those companies should not feel a financial disadvantage for their efforts. The time is now to standardize the correct hiring practice. Begin immediately to properly classify your freelance crew as W-2 employees when working on your productions. There are many companies that provide temporary payroll service to facilitate this process if there isn't an 'in-house' solution.

Misclassification of the freelance workforce as independent contractors is a serious concern to all freelance technicians. Local 488 is committed to participating in correcting this mistaken practice and will not condone its persistence. We look forward to the immediate cooperation of production company executives with this matter for the wellbeing of all involved.

Gregory Smith
President, IATSE Local 488
president@iatse488.com

Bob Riggs
Business Agent, IATSE Local 488
bobriggs@iatse488.com
360-239-8218 - mobile