STATE OF CALIFORNIA
Pete Wilson, Governor

DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS ENFORCEMENT
455 GOLDEN GATE AVE., #3194
San Francisco, CA 94102
(415) 557-2347

SUBAGENTS RULED EMPLOYEES

Should you, as a Talent Agency, employ any subagents to act in your behalf, you must, under the law, treat such subagents as bona-fide employees.

In explanation of this are the following points that distinguish and independent contractor from an employee:

1. An independent contractor is legally a self-employed person who is not subject to the control and direction of his principal as to the manner, method, and means of accomplishing his work.

2. An employees is always subject to control and direction by his employer, although the employer need not always exercise such control and direction.

Since a talent agency must always be responsible for and have complete control over the operation of his/her business, including the manner, method, and means by which the work is accomplished, it necessarily follows that he/she cannot have independent contractors working as subagents. Such subagents must instead be bona-fide employees.

Furthermore, an independent contractor-subagent actually would be in violation of the law since he/she would be performing the functions of a talent agency but would not be protected by a license. (See Labor Code Section 1700.20)

In line with the foregoing, please be certain that nay and all subagents working under your license are treated as bonafide employees and are so designated on your payroll.

Also, if you have employees, you must be insured for workers' compensation as required by labor Code Section 3700, excerpt attached. Such insurance must cover all employees, including subagents.

Attachment