

PROPOSED CHANGES ON UNEMPLOYMENT INSURANCE IN THE REGULATIONS OF THE  
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

Question:

Do you anticipate this regulation change would have an impact on outside companies' willingness to hire local independent contractors to work on film projects?

Answer:

No, we do not anticipate this having an impact on outside companies' willingness to hire local independent contractors to work on film projects.

When a motion picture project is made, a production company is formed for the purpose of owning the produced property. After the production is completed the company is dissolved, which makes it difficult to collect owed taxes. Staffing for these companies is provided by a motion picture project employer, which is a signatory on union contracts and liable for the payment of wages and taxes. This regulation adds protection to the unemployment insurance trust fund through added contributions and protections for employees through proper wage credits after the production company ceases to exist.