H-0246.1			

HOUSE BILL 1311

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By Representatives Chandler, Sells, and Moscoso

State of Washington

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Read first time 01/23/13. Referred to Committee on Labor & Workforce Development.

- 1 AN ACT Relating to making coverage of certain maritime service
- 2 elective for purposes of unemployment compensation; amending RCW
- 3 50.24.160 and 50.04.170; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 50.24.160 and 2007 c 146 s 6 are each amended to read 6 as follows:
 - Except as provided in RCW 50.04.165, any employing unit for which services that do not constitute employment as defined in this title are performed may file with the commissioner a written election that all such services performed by any distinct class or group of individuals or by all individuals in its employment in one or more distinct establishments or places of business shall be deemed to constitute employment for all the purposes of this title for at least two calendar years. Upon the written approval of such election by the commissioner, such services shall be deemed to constitute employment subject to this title on and after the date stated in the approval. Services covered under this section shall cease to be deemed employment as of January 1st of any calendar year subsequent to the two-calendar year period, only if the employing unit files with the commissioner before January

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- 1 15th of that year a written application for termination of coverage.
- 2 Services for which an employing unit may elect coverage include, but
- are not limited to, maritime service as described in RCW 50.04.170.
- **Sec. 2.** RCW 50.04.170 and 1949 c 214 s 3 are each amended to read 5 as follows:
 - (1)(a) Except for services subject to RCW 50.44.010, 50.44.020, 50.44.030, or 50.50.010, the term "employment" ((shall)) includes an individual's entire service as an officer or member of a crew of an American vessel wherever performed and whether in intrastate or interstate or foreign commerce, if the employer maintains within this state at the beginning of the pay period an operating office from which the operations of the vessel are ordinarily and regularly supervised, managed, directed, and controlled.
 - (b) The term "employment" ((shall)) does not include:

- (i) Services performed by an individual on a boat engaged in catching fish or other forms of aquatic animal life under an arrangement with the owner or operator of the boat under which:
 - (A) The individual does not receive any cash remuneration except as provided in (b)(i)(B) and (C) of this subsection;
 - (B) The individual receives a share of the boat's, or the boats' in the case of a fishing operation involving more than one boat, catch of fish or other forms of aquatic animal life or a share of the proceeds from the sale of the catch; and
 - (C) The amount of the individual's share depends on the amount of the boat's, or the boats' in the case of a fishing operation involving more than one boat, catch of fish or other forms of aquatic animal life, but only if the operating crew of the boat, or each boat from which the individual receives a share in the case of a fishing operation involving more than one boat, is normally made up of fewer than ten individuals.
 - (ii) Services performed as an officer or member of the crew of a vessel not an American vessel and services on or in connection with an American vessel under a contract of service which is not entered into within the United States and during the performance of which the vessel does not touch at a port of the United States.
- 36 (2) For the purposes of this section, "American vessel"((τ)) means 37 any vessel documented or numbered under the laws of the United

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States((\div)), and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country if its crew is employed solely by one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any state.

 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.

<u>NEW SECTION.</u> **Sec. 4.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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