
SUBSTITUTE HOUSE BILL 1821

State of Washington

54th Legislature

1995 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Kessler, Buck, Quall, Carlson, Casada and Basich)

Read first time 03/01/95.

1 AN ACT Relating to unemployment compensation for persons with
2 public employment contracts; and amending RCW 50.04.320 and 50.44.050.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 50.04.320 and 1986 c 21 s 1 are each amended to read
5 as follows:

6 (1) For the purpose of payment of contributions, "wages" means the
7 remuneration paid by one employer during any calendar year to an
8 individual in its employment under this title or the unemployment
9 compensation law of any other state in the amount specified in RCW
10 50.24.010. If an employer (hereinafter referred to as a successor
11 employer) during any calendar year acquires substantially all the
12 operating assets of another employer (hereinafter referred to as a
13 predecessor employer) or assets used in a separate unit of a trade or
14 business of a predecessor employer, and immediately after the
15 acquisition employs in the individual's trade or business an individual
16 who immediately before the acquisition was employed in the trade or
17 business of the predecessor employer, then, for the purposes of
18 determining the amount of remuneration paid by the successor employer
19 to the individual during the calendar year which is subject to

1 contributions, any remuneration paid to the individual by the
2 predecessor employer during that calendar year and before the
3 acquisition shall be considered as having been paid by the successor
4 employer.

5 (2) For the purpose of payment of benefits, "wages" means the
6 remuneration paid by one or more employers to an individual for
7 employment under this title during his base year: PROVIDED, That at
8 the request of a claimant, wages may be calculated on the basis of
9 remuneration payable. The department shall notify each claimant that
10 wages are calculated on the basis of remuneration paid, but at the
11 claimant's request a redetermination may be performed and based on
12 remuneration payable.

13 (3) For the purpose of payment of benefits and payment of
14 contributions, the term "wages" includes tips which are received after
15 January 1, 1987, while performing services which constitute employment,
16 and which are reported to the employer for federal income tax purposes.

17 (4)(a) "Remuneration" means all compensation paid for personal
18 services including commissions and bonuses and the cash value of all
19 compensation paid in any medium other than cash. The reasonable cash
20 value of compensation paid in any medium other than cash and the
21 reasonable value of gratuities shall be estimated and determined in
22 accordance with rules prescribed by the commissioner. Remuneration
23 does not include payments to members of a reserve component of the
24 armed forces of the United States, including the organized militia of
25 the state of Washington, for the performance of duty for periods not
26 exceeding seventy-two hours at a time.

27 (b) Previously accrued compensation, other than severance pay or
28 payments received pursuant to plant closure agreements, when assigned
29 to a specific period of time by virtue of a collective bargaining
30 agreement, individual employment contract, customary trade practice, or
31 request of the individual compensated, shall be considered remuneration
32 for the period to which it is assigned. Assignment clearly occurs when
33 the compensation serves to make the individual eligible for all regular
34 fringe benefits for the period to which the compensation is assigned.

35 (c) Settlements or other proceeds received by an individual as a
36 result of a negotiated settlement for termination of an employment
37 contract with a public agency prior to its expiration date shall be
38 considered remuneration. The proceeds shall be deemed assigned in the

1 same intervals and in the same amount for each interval as compensation
2 was allocated under the contract.

3 (d) Except as provided in (c) of this subsection, the provisions of
4 this ((section)) subsection (4) pertaining to the assignment of
5 previously accrued compensation shall not apply to individuals subject
6 to RCW 50.44.050.

7 **Sec. 2.** RCW 50.44.050 and 1990 c 33 s 587 are each amended to read
8 as follows:

9 Except as otherwise provided in subsections (1) through (4) of this
10 section, benefits based on services in employment covered by or
11 pursuant to this chapter shall be payable on the same terms and subject
12 to the same conditions as compensation payable on the basis of other
13 service subject to this title.

14 (1) Benefits based on service in an instructional, research or
15 principal administrative capacity for an educational institution shall
16 not be paid to an individual for any week of unemployment which
17 commences during the period between two successive academic years or
18 terms within an academic year (or, when an agreement provides instead
19 for a similar period between two regular but not successive terms
20 within an academic year, during such period) if such individual
21 performs such services in the first of such academic years or terms and
22 if there is a contract or reasonable assurance that such individual
23 will perform services in any such capacity for any educational
24 institution in the second of such academic years or terms. Any
25 employee of a common school district who is presumed to be reemployed
26 pursuant to RCW 28A.405.210 shall be deemed to have a contract for the
27 ensuing term.

28 (2) Benefits shall not be paid based on services in any other
29 capacity for an educational institution for any week of unemployment
30 which commences during the period between two successive academic years
31 or terms within an academic year, if such individual performs such
32 services in the first of such academic years or terms and there is a
33 reasonable assurance that such individual will perform such services in
34 the second of such academic years or terms: PROVIDED, That if benefits
35 are denied to any individual under this subsection and that individual
36 was not offered an opportunity to perform such services for the
37 educational institution for the second of such academic years or terms,
38 the individual is entitled to a retroactive payment of benefits for

1 each week for which the individual filed a timely claim for benefits
2 and for which benefits were denied solely by reason of this subsection.

3 (3) Benefits shall not be paid based on any services described in
4 subsections (1) and (2) of this section for any week of unemployment
5 which commences during an established and customary vacation period or
6 holiday recess if such individual performs such services in the period
7 immediately before such vacation period or holiday recess, and there is
8 a reasonable assurance that such individual will perform such services
9 in the period immediately following such vacation period or holiday
10 recess.

11 (4) Benefits shall not be paid (as specified in subsections (1),
12 (2), or (3) of this section) based on any services described in
13 subsections (1) or (2) of this section to any individual who performed
14 such services in an educational institution while in the employ of an
15 educational service district which is established pursuant to chapter
16 28A.310 RCW and exists to provide services to local school districts.

17 (5) As used in subsections (1) and (2) of this section, "academic
18 year" includes fall, winter, and spring quarters and comparable
19 semesters but does not include summer quarters or summer semesters
20 unless, based upon objective criteria including enrollment and
21 staffing, it is in fact a part of the academic year for the particular
22 institution.

--- END ---