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**SENATE BILL 5716**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senators Keiser, Wellman, Saldaña, Conway, Hunt, Kuderer, Nguyen, and Randall

Read first time 01/29/19. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to defining when federal government employees are  
2 unemployed for purposes of unemployment insurance; amending RCW  
3 50.04.310; creating new sections; and declaring an emergency.

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

5 **Sec. 1.** RCW 50.04.310 and 2013 c 66 s 1 are each amended to read  
6 as follows:

7 (1) An individual:

8 (a) Is "unemployed" in any week during which the individual  
9 performs no services and with respect to which no remuneration is  
10 payable to the individual, or in any week of less than full time  
11 work, if the remuneration payable to the individual with respect to  
12 such week is less than one and one-third times the individual's  
13 weekly benefit amount plus five dollars. The commissioner shall  
14 prescribe regulations applicable to unemployed individuals making  
15 such distinctions in the procedures as to such types of unemployment  
16 as the commissioner deems necessary.

17 (b) Is not "unemployed" in any week which falls totally within a  
18 period during which the individual, pursuant to a collective  
19 bargaining agreement or individual employment contract, is employed  
20 full time in accordance with a definition of full time contained in  
21 the agreement or contract, and for which compensation for full time

1 work is payable. This subsection may not be applied retroactively to  
2 an individual who had no guarantee of work at the start of such  
3 period and subsequently is provided additional work by the employer.

4 (2) (a) An officer of a corporation who owns ten percent or more  
5 of the outstanding stock of the corporation, or a corporate officer  
6 who is a family member of an officer who owns ten percent or more of  
7 the outstanding stock of the corporation, whose claim for benefits is  
8 based on any wages with that corporation:

9 (i) Is not "unemployed" in any week during the individual's term  
10 of office or ownership in the corporation, even if wages are not  
11 being paid, unless the corporate officer's covered base year wages  
12 with that corporation are less than twenty-five percent of his or her  
13 total covered base year wages.

14 (ii) Is "unemployed" in any week upon dissolution of the  
15 corporation or if the officer permanently resigns or is permanently  
16 removed from their appointment and responsibilities with that  
17 corporation in accordance with its articles of incorporation or  
18 bylaws or if the corporate officer's covered base year wages with  
19 that corporation are less than twenty-five percent of his or her  
20 total covered base year wages.

21 (b) As used in this subsection (2), "family member" means persons  
22 who are members of a family by blood or marriage as parents,  
23 stepparents, grandparents, spouses, children, brothers, sisters,  
24 stepchildren, adopted children, or grandchildren.

25 (3) An employee of a unit of federal government is "unemployed"  
26 in any week the individual is not receiving wages due to the failure  
27 of the federal government to appropriate the funding used to pay the  
28 individual's wages, regardless of whether the individual is  
29 performing any services for the unit of federal government at any  
30 time during the week.

31 NEW SECTION. Sec. 2. If any part of this act is found to be in  
32 conflict with federal requirements that are a prescribed condition to  
33 the allocation of federal funds to the state, the conflicting part of  
34 this act is inoperative solely to the extent of the conflict and with  
35 respect to the agencies directly affected, and this finding does not  
36 affect the operation of the remainder of this act in its application  
37 to the agencies concerned. Rules adopted under this act must meet  
38 federal requirements that are a necessary condition to the receipt of  
39 federal funds by the state.

1        NEW SECTION.    **Sec. 3.**    This act applies retroactively to December  
2    22, 2018.

3        NEW SECTION.    **Sec. 4.**    This act is necessary for the immediate  
4    preservation of the public peace, health, or safety, or support of  
5    the state government and its existing public institutions, and takes  
6    effect immediately.

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