
ENGROSSED 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.

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.

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