

CERTIFICATION OF ENROLLMENT

SENATE BILL 5317

57th Legislature
2001 Regular Session

Passed by the Senate March 10, 2001
YEAS 48 NAYS 0

President of the Senate

Passed by the House April 10, 2001
YEAS 94 NAYS 0

**Speaker of the
House of Representatives**

**Speaker of the
House of Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5317** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SENATE BILL 5317

Passed Legislature - 2001 Regular Session

State of Washington

57th Legislature

2001 Regular Session

By Senators Prentice and Winsley; by request of Employment Security Department

Read first time 01/18/2001. Referred to Committee on Labor, Commerce & Financial Institutions.

1 AN ACT Relating to use of school hours and wages for unemployment
2 compensation claims for educational employees; amending RCW 50.44.050;
3 creating new sections; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
6 clarify requirements related to the use of base year hours and wages
7 for certain employees at educational institutions, for the purpose of
8 determining eligibility for unemployment insurance benefits.

9 The legislature finds that, unless clarified, Washington's
10 unemployment compensation law may be out of conformity with the federal
11 unemployment tax act, which poses a significant economic risk to the
12 state's private employers, the state's general fund, and to the
13 administration of the state's unemployment insurance system. It is the
14 intent of the legislature to change Washington's unemployment law only
15 to the extent necessary to ensure it conforms with federal law
16 governing the use of base year hours and wages earned at educational
17 institutions.

18 The legislature finds that the United States department of labor
19 will rely on state law and its application as interpreted in state

1 court decisions, especially *Pechman v. Employment Security*, to
2 determine if Washington state law conforms to federal guidelines in
3 this area. Therefore, it is the intent of the legislature to clearly
4 communicate to the courts that the purpose for the section 2, chapter
5 . . . , Laws of 2001 amendment to RCW 50.44.050 (section 2 of this act)
6 is to interpret state law in a manner that conforms to federal
7 guidelines.

8 The legislature finds that federal law requires that school hours
9 and wages in the base year must be restricted from use to establish
10 eligibility for an unemployment compensation claim for employees of
11 educational institutions during specified times. Further, federal law
12 specifies that when required to restrict base year school hours and
13 wages, it must be any and all hours and wages from any and all
14 educational institutions, not just the hours and wages from
15 institutions where there is a reasonable assurance of returning to work
16 following a customary nonwork period. Therefore, it is the intent of
17 the legislature to restrict hours worked and wages earned as required
18 by federal law.

19 Customary nonwork periods for educational institutions include:

- 20 (1) The period between two successive academic years;
21 (2) The period between two successive academic terms within an
22 academic year;
23 (3) A similar period between two regular but not successive terms
24 within an academic year; or

25 (4) An established and customary vacation period or holiday recess.

26 Restricted use of base year hours and wages from educational
27 institutions shall occur only in the circumstances described in RCW
28 50.44.050 (as amended by this act) and in RCW 50.44.053, and as further
29 defined in rules promulgated by the employment security department.

30 **Sec. 2.** RCW 50.44.050 and 1998 c 233 s 2 are each amended to read
31 as follows:

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

37 (1) Benefits based on any and all service in an instructional,
38 research, or principal administrative capacity for ((~~an~~)) any and all

1 educational institutions shall not be paid to an individual for any
2 week of unemployment which commences during the period between two
3 successive academic years or between two successive academic terms
4 within an academic year (or, when an agreement provides instead for a
5 similar period between two regular but not successive terms within an
6 academic year, during such period) if such individual performs such
7 services in the first of such academic years or terms and if there is
8 a contract or reasonable assurance that such individual will perform
9 services in any such capacity for any educational institution in the
10 second of such academic years or terms. Any employee of a common
11 school district who is presumed to be reemployed pursuant to RCW
12 28A.405.210 shall be deemed to have a contract for the ensuing term.

13 (2) Benefits shall not be paid based on any and all services in any
14 other capacity for ~~((an))~~ any and all educational institutions for any
15 week of unemployment which commences during the period between two
16 successive academic years or between two successive academic terms
17 within an academic year, if such individual performs such services in
18 the first of such academic years or terms and there is a reasonable
19 assurance that such individual will perform such services in the second
20 of such academic years or terms: PROVIDED, That if benefits are denied
21 to any individual under this subsection and that individual was not
22 offered an opportunity to perform such services for the educational
23 institution for the second of such academic years or terms, the
24 individual is entitled to a retroactive payment of benefits for each
25 week for which the individual filed a timely claim for benefits and for
26 which benefits were denied solely by reason of this subsection.

27 (3) Benefits shall not be paid based on any services described in
28 subsections (1) and (2) of this section for any week of unemployment
29 which commences during an established and customary vacation period or
30 holiday recess if such individual performs such services for any
31 educational institution in the period immediately before such vacation
32 period or holiday recess, and there is a reasonable assurance that such
33 individual will perform such services for any educational institution
34 in the period immediately following such vacation period or holiday
35 recess.

36 (4) Benefits shall not be paid (as specified in subsections (1),
37 (2), or (3) of this section) based on any services described in
38 subsections (1) or (2) of this section to any individual who performed
39 such services in ~~((an))~~ any educational institution while in the employ

1 of an educational service district which is established pursuant to
2 chapter 28A.310 RCW and exists to provide services to local school
3 districts.

4 (5) As used in this section, "academic year" means: Fall, winter,
5 spring, and summer quarters or comparable semesters unless, based upon
6 objective criteria including enrollment and staffing, the quarter or
7 comparable semester is not in fact a part of the academic year for the
8 particular institution.

9 NEW SECTION. **Sec. 3.** If any part of this act is found to be in
10 conflict with federal requirements that are a prescribed condition to
11 the allocation of federal funds to the state or the eligibility of
12 employers in this state for federal unemployment tax credits, the
13 conflicting part of this act is inoperative solely to the extent of the
14 conflict, and the finding or determination does not affect the
15 operation of the remainder of this act. Rules adopted under this act
16 must meet federal requirements that are a necessary condition to the
17 receipt of federal funds by the state or the granting of federal
18 unemployment tax credits to employers in this state.

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

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