S-1871.1			

## SENATE BILL 6042

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State of Washington 59th Legislature 2005 Regular Session

By Senators Kohl-Welles, Keiser and Kline

Read first time 02/24/2005. Referred to Committee on Labor, Commerce, Research & Development.

- 1 AN ACT Relating to industrial insurance, but only with respect to
- 2 defining wages to include the cost of health insurance; and amending
- 3 RCW 51.08.178.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 51.08.178 and 1988 c 161 s 12 are each amended to read 6 as follows:
- 7 (1) "Wages" means the gross remuneration paid in cash by the 8 employer to the worker for services performed with respect to a pay
- 9 period, before any deductions. "Paid in cash" means payment in cash,
- 10 by check, by electronic transfer, or by other means made directly to
- 11 the worker.
- 12 (2) For purposes of determining a worker's wage under this section:
- 13 (a) Tips shall be considered wages only to the extent that the tips
- 14 are reported to the employer for federal income tax purposes; and
- 15 (b) Wages include:
- 16 (i) The average monthly value of any bonus received from the
- 17 employer in the twelve months immediately preceding the worker's injury
- 18 or manifestation of occupational disease;

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(ii) The actual cash value of board, housing, fuel, and other consideration of like nature received from the employer as part of the contract of hire. This subsection (2)(b)(ii) shall not apply during any period in which the employer continues to provide, through a past or current payment, board, housing, and/or fuel that were provided to the worker at the time of injury or manifestation of occupational disease; and

- (iii) The cost to the employer as of the date of injury or manifestation of occupational disease for insurance for medical, vision, and dental treatment. This subsection (2)(b)(iii) shall not apply during any period in which the employer continues to make contributions towards the same level of insurance for medical, vision, and dental treatment as was provided at the time of injury or manifestation of occupational disease.
- 15 <u>(c) Wages shall not include overtime pay, except in cases under</u> 16 <u>subsection (4) of this section.</u>
  - (3)(a) For the purposes of this title, the monthly wages the worker was receiving from all employment at the time of injury shall be the basis upon which compensation is computed unless otherwise provided specifically in the statute concerned. In cases where the worker's wages are not fixed by the month, they shall be determined by multiplying the daily wage the worker was receiving at the time of the injury:
- $((\frac{a}{a}))$  <u>(i)</u> By five, if the worker was normally employed one day a week;
- $((\frac{b}{b}))$  (ii) By nine, if the worker was normally employed two days 27 a week;
- (((+c+))) (iii) By thirteen, if the worker was normally employed 29 three days a week;
- $((\frac{d}{d}))$  (iv) By eighteen, if the worker was normally employed four 31 days a week;
- $((\frac{(++)}{(++)}))$  (v) By twenty-two, if the worker was normally employed five 33 days a week;
- $((\frac{f}{f}))$  <u>(vi)</u> By twenty-six, if the worker was normally employed six days a week;
- $((\frac{g}{g}))$  <u>(vii)</u> By thirty, if the worker was normally employed seven days a week.

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((The term "wages" shall include the reasonable value of board, housing, fuel, or other consideration of like nature received from the employer as part of the contract of hire, but shall not include overtime pay except in cases under subsection (2) of this section. However, tips shall also be considered wages only to the extent such tips are reported to the employer for federal income tax purposes.))

(b) For the purposes of this subsection (3), the daily wage shall be the hourly wage multiplied by the number of hours the worker is normally employed. The number of hours the worker is normally employed shall be determined by the department in a fair and reasonable manner, which may include averaging the number of hours worked per day.

 $((\frac{(2)}{2}))$  (4) In cases where (a) the worker's employment is exclusively seasonal in nature or (b) the worker's current employment or his or her relation to his or her employment is essentially parttime or intermittent, the monthly wage shall be determined by dividing by twelve the total wages earned, including overtime, from all employment in any twelve successive calendar months preceding the injury which fairly represent the claimant's employment pattern.

(((3) If, within the twelve months immediately preceding the injury, the worker has received from the employer at the time of injury a bonus as part of the contract of hire, the average monthly value of such bonus shall be included in determining the worker's monthly wages.

(4))) (5) In cases where a <u>worker's</u> wage has not been fixed or cannot be reasonably and fairly determined, the monthly wage shall be computed on the basis of the usual wage paid other employees engaged in like or similar occupations where the wages are fixed.

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