Z-1124.1		

SENATE BILL 6526

State of Washington 61st Legislature 2010 Regular Session

By Senators Kohl-Welles, Franklin, Regala, Keiser, McDermott, and Kline; by request of Employment Security Department

Read first time 01/15/10. Referred to Committee on Labor, Commerce & Consumer Protection.

AN ACT Relating to allowing certain individuals to seek part-time employment while maintaining eligibility for unemployment insurance in order to qualify for the unemployment insurance modernization incentive provisions of the American recovery and reinvestment act of 2009; amending RCW 50.04.310, 50.20.119, and 50.20.100; creating a new section; and providing an effective date.

- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 **Sec. 1.** RCW 50.04.310 and 2007 c 146 s 5 are each amended to read 9 as follows:
- 10 (1) An individual is "unemployed" in any week during which the 11 individual performs no services and with respect to which remuneration is payable to the individual, or in any week of less than 12 13 full time work, if the remuneration payable to the individual with 14 respect to such week is less than one and one-third times the 15 individual's weekly benefit amount plus five dollars. The commissioner 16 shall prescribe regulations applicable to unemployed individuals making 17 such distinctions in the procedures as to such types of unemployment as 18 the commissioner deems necessary.

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- (2) An individual is not "unemployed" during any week which falls 1 2 totally within a period during which the individual, pursuant to a collective bargaining agreement or individual employment contract, is 3 employed full time in accordance with a definition of full time 4 contained in the agreement or contract, and for which compensation for 5 full time work is payable. This subsection may not be applied 6 7 retroactively to an individual who had no guarantee of work at the 8 start of such period and subsequently is provided additional work by the employer. 9
 - (3) An individual is not "unemployed" if he or she earned wages in part-time work as defined in RCW 50.20.119 and accepts suitable work as defined in RCW 50.20.100.
 - (4) An officer of a corporation who owns ten percent or more of the outstanding stock of the corporation, or a corporate officer who is a family member of an officer who owns ten percent or more of the outstanding stock of the corporation, whose claim for benefits is based on any wages with that corporation, is:
 - (a) Not "unemployed" in any week during the individual's term of office or ownership in the corporation, even if wages are not being paid;
 - (b) "Unemployed" in any week upon dissolution of the corporation or if the officer permanently resigns or is permanently removed from their appointment and responsibilities with that corporation in accordance with its articles of incorporation or bylaws.
 - As used in this section, "family member" means persons who are members of a family by blood or marriage as parents, stepparents, grandparents, spouses, children, brothers, sisters, stepchildren, adopted children, or grandchildren.
- 29 **Sec. 2.** RCW 50.20.119 and 2006 c 13 s 15 are each amended to read 30 as follows:
- 31 (1) With respect to claims that have an effective date on or after 32 January 2, 2005, and before January 2, 2011:
- 33 (a) An otherwise eligible individual may not be denied benefits for 34 any week because the individual is a part-time worker and is available 35 for, seeks, applies for, or accepts only work of seventeen or fewer 36 hours per week by reason of the application of RCW 50.20.010(1)(c),

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50.20.080, or 50.22.020(1) relating to availability for work and active search for work, or failure to apply for or refusal to accept suitable work.

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- $((\frac{2}{1}))$ (b) For purposes of this $(\frac{2}{1})$ subsection, "part-time worker" means an individual who: $(\frac{2}{1})$ (i) Earned wages in "employment" in at least forty weeks in the individual's base year; and $(\frac{2}{1})$ (ii) did not earn wages in "employment" in more than seventeen hours per week in any weeks in the individual's base year.
- 9 (2) With respect to claims that have an effective date on or after January 2, 2011, an otherwise eligible individual may not be denied 10 benefits for any week solely because the individual is seeking only 11 part-time work and is available for, is actively searching for, applies 12 13 for, or accepts only part-time work by reason of the application of RCW 50.20.010(1)(c), 50.20.080, or 50.22.020(1) relating to availability 14 for work and active search for work or failure to apply for or refusal 15 16 to accept suitable work, if the department determines that a majority of the weeks of work in the individual's base period were for part-time 17 work. For purposes of this subsection: 18
- 19 <u>(a) "Part-time work" means work of fewer than thirty-five hours per</u> 20 week; and
- (b) "Seeking only part-time work" means seeking work that has comparable hours to the claimant's part-time work experience in the base period, except that a claimant must be available for at least twenty hours of work per week.
 - Sec. 3. RCW 50.20.100 and 2006 c 13 s 14 are each amended to read as follows:
 - (1) Suitable work for an individual is employment in an occupation in keeping with the individual's prior work experience, education, or training and if the individual has no prior work experience, special education, or training for employment available in the general area, then employment which the individual would have the physical and mental ability to perform. In determining whether work is suitable for an individual, the commissioner shall also consider the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness, the individual's length of unemployment and prospects for securing local work in the individual's customary

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occupation, the distance of the available work from the individual's residence, and such other factors as the commissioner may deem pertinent, including state and national emergencies.

- (2) For individuals with base year work experience in agricultural labor, any agricultural labor available from any employer shall be deemed suitable unless it meets conditions in RCW 50.20.110 or the commissioner finds elements of specific work opportunity unsuitable for a particular individual.
- (3) For part-time workers as defined in RCW 50.20.119, suitable work ((includes)) for an individual in employment in suitable work under subsection (1) of this section:
- (a) With respect to claims that have an effective date on or after January 3, 2005, and before January 2, 2011, is employment that is for seventeen or fewer hours per week.
- (b) With respect to claims that have an effective date on or after January 2, 2011, is employment for a number of hours per week that is comparable to the number of hours worked per week for a majority of weeks in employment in the individual's base year, but no less than twenty hours per week.
- (4) For individuals who have qualified for unemployment compensation benefits under RCW 50.20.050 (1)(b)(iv) or (2)(b)(iv), as applicable, an evaluation of the suitability of the work must consider the individual's need to address the physical, psychological, legal, and other effects of domestic violence or stalking.
- NEW SECTION. Sec. 4. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.
- 35 NEW SECTION. Sec. 5. If any provision of this act or its

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- 1 application to any person or circumstance is held invalid, the
- 2 remainder of the act or the application of the provision to other
- 3 persons or circumstances is not affected.
- 4 <u>NEW SECTION.</u> **Sec. 6.** This act takes effect January 2, 2011.

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