
SENATE BILL 5471

State of Washington

61st Legislature

2009 Regular Session

By Senators Carrell and Holmquist

Read first time 01/22/09. Referred to Committee on Labor, Commerce & Consumer Protection.

1 AN ACT Relating to defining unemployed as it relates to corporate
2 officers; and amending RCW 50.04.310.

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

4 **Sec. 1.** RCW 50.04.310 and 2007 c 146 s 5 are each amended to read
5 as follows:

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

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

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

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

10 (a) Not "unemployed" in any week during the individual's term of
11 office or ownership in the corporation, even if wages are not being
12 paid;

13 (b) "Unemployed" in any week:

14 (i) Upon dissolution of the corporation or if the officer
15 permanently resigns or is permanently removed from their appointment
16 and responsibilities with that corporation in accordance with its
17 articles of incorporation or bylaws; or

18 (ii) In which the individual is unemployed as defined in subsection
19 (1) of this section and performs services as a corporate officer for
20 fewer than twenty-five hours in each quarter of a base year during
21 which the individual is primarily employed by another employer.

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

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