state for federal unemployment tax credits, the conflicting part of this act is hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules under this act shall meet federal requirements which 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.

<u>NEW SECTION</u>. Sec. 3. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1985.

Passed the Senate February 14, 1985.
Passed the House April 5, 1985.
Approved by the Governor April 15, 1985.
Filed in Office of Secretary of State April 15, 1985.

CHAPTER 41

[Senate Bill No. 3408]

UNEMPLOYMENT COMPENSATION——EMPLOYER DEFINITION MODIFIED

AN ACT Relating to the definition of employer for unemployment insurance purposes; amending RCW 50.04.080; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 9, chapter 35, Laws of 1945 as last amended by section 5, chapter 3, Laws of 1971 and RCW 50.04.080 are each amended to read as follows:

"Employer" means any individual or type of organization, including any partnership, association, trust, estate, joint stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee, or the legal representative of a deceased person, having any person in employment or, having become an employer, has not ceased to be an employer as provided in this title.

((Irrespective of any other inconsistent provisions of this title, any employing unit shall also be deemed to be an employer for the purposes of this title to the same extent that services performed for such employing unit constitute subject employment under the provisions of any federal tax against which credit may be taken for contributions paid into a state unemployment compensation fund.

Irrespective of any provision in this title to the contrary any employing unit which employs individuals whose employment must be covered by the

unemployment insurance laws of this state for services performed subsequent to December 31, 1971 as a condition of approval of the unemployment insurance laws of this state under section 3304(a) of the internal revenue code of 1954, as amended, will be considered an employer as to such individual and shall be subject to contributions on all wages paid subsequent to December 31, 1971, or reimbursement payments to cover benefits paid based on services performed subsequent to December 31, 1971, depending on the law applicable.))

NEW SECTION. Sec. 2. If any part of this act is found to be in conflict with federal requirements which 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 hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules under this act shall meet federal requirements which 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.

<u>NEW SECTION</u>. Sec. 3. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate February 7, 1985.

Passed the House April 5, 1985.

Approved by the Governor April 15, 1985.

Filed in Office of Secretary of State April 15, 1985.

CHAPTER 42

[Senate Bill No. 3409]

UNEMPLOYMENT COMPENSATION—EXPERIENCE RATING ACCOUNTS

AN ACT Relating to experience rating accounts and noncharging; amending RCW 50-.29.020; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

- Sec. 1. Section 11, chapter 2, Laws of 1970 ex. sess. as last amended by section 7, chapter 205, Laws of 1984 and RCW 50.29.020 are each amended to read as follows:
- (1) An experience rating account shall be established and maintained for each employer, except ((those employers whose employees are covered under chapter 50.44 RCW)) employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, based on existing records of the employment security department.