HOUSE BILL REPORT HB 2626

As Reported by House Committee On: Commerce & Labor

Title: An act relating to authorizing the governor to suspend the waiting week for individuals who are unemployed because of an emergency or disaster.

- **Brief Description:** Authorizing the governor to suspend the waiting week for individuals who are unemployed because of an emergency or disaster.
- **Sponsors:** Representatives VanDeWege, Kessler, Blake, Takko, DeBolt, Ormsby, Roberts, Kenney, Morrell, Simpson and Chase.

Brief History:

Committee Activity:

Commerce & Labor: 2/1/08, 2/5/08 [DPS].

Brief Summary of Substitute Bill

• Directs the Employment Security Department to study options for suspending the waiting period requirement for individuals who are unemployed because of an emergency or disaster.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

Staff: Jill Reinmuth (786-7134).

Background:

An individual is eligible to receive regular unemployment benefits if he or she: (1) worked at least 680 hours in his or her base year; (2) was separated from employment through no fault of his or her own or quit work for good cause; and (3) is able to work and is actively seeking

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employment. The individual also must have been unemployed for a waiting period of one week.

The one-week waiting period is required to receive federal reimbursement of one-half of benefits paid in the first week of extended unemployment benefits. The state "triggers on" to the extended benefits program during periods of high unemployment. The program begins the third week after a week for which there is an "on" indicator.

Summary of Substitute Bill:

The Employment Security Department (Department) is required to study options for suspending the waiting period requirement for individuals who are unemployed because of an emergency or disaster, or otherwise compensating such individuals for lost wages. The Department also must examine ways to mitigate the impacts, if any, of these options on the unemployment compensation system. A report from the Department to appropriate legislative committees is due by December 1, 2008.

Substitute Bill Compared to Original Bill:

Language requiring the Employment Security Department to conduct a study is added, and language authorizing the Governor to waive the waiting period is stricken. The emergency clause is removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) The wind, rainstorms, and floods in recent December were emotional events. Many people were displaced from work for only one week. Work to ensure that this proposal does not have adverse consequences is continuing.

(With concerns) There are concerns about this approach, and the potential loss of federal matching dollars when the state is on extended benefits. A separate appropriation may be a better choice in this circumstance.

(Opposed) None.

Persons Testifying: (In support) Representative Van De Wege, prime sponsor.

(With concerns) Donna Steward, Association of Washington Business.

Persons Signed In To Testify But Not Testifying: None.