

2SHB 2630 - H AMD 1183

By Representative Probst

WITHDRAWN 2/28/2010

1 On page 4, after line 33, insert the following:

2

3 "Sec. 4. RCW 28C.18.164 and 2009 c 238 s 4 are each amended to
4 read as follows:

5 (1) Opportunity internship consortia may apply to the board to
6 offer an opportunity internship program.

7 (a) The board, in consultation with the Washington state
8 apprenticeship and training council, may select those consortia that
9 demonstrate the strongest commitment and readiness to implement a high
10 quality opportunity internship program for low-income high school
11 students. The board shall place a priority on consortia with
12 demonstrated experience working with similar populations of students
13 and demonstrated capacity to assist a large number of students through
14 the progression of internship or preapprenticeship, high school
15 graduation, postsecondary education, and retention in a high-demand
16 occupation. The board shall place a priority on programs that
17 emphasize secondary career and technical education and
18 nonbaccalaureate postsecondary education; however, programs that
19 target four-year postsecondary degrees are eligible to participate.

20 (b)(i) Except as provided in (ii) of this subsection (1)(b), the
21 board shall enter into a contract with each consortium selected to
22 participate in the program. No more than ten consortia per year shall
23 be selected to participate in the program, and to the extent possible,
24 the board shall assure a geographic distribution of consortia in
25 regions across the state emphasizing a variety of targeted industries.
26 Each consortium may select no more than one hundred low-income high
27 school students per year to participate in the program.

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(ii) For fiscal years 2011 through 2013, the board shall enter into a contract with each consortium selected to participate in the program. No more than twelve consortia per year shall be selected to participate in the program, and to the extent possible, the board shall assure a geographic distribution of consortia in regions across the state emphasizing a variety of targeted industries. No more than five thousand low-income high school students per year may be selected to participate in the program.

(2) Under the terms of an opportunity internship program contract, an opportunity internship consortium shall commit to the following activities which shall be conducted using existing federal, state, local, or private funds available to the consortium:

(a) Identify high-demand occupations in targeted industries for which opportunity internships or preapprenticeships shall be developed and provided;

(b) Develop and implement the components of opportunity internships, including paid or unpaid internships or preapprenticeships of at least ninety hours in length in high-demand occupations with employers in the consortium, mentoring and guidance for students who participate in the program, assistance with applications for postsecondary programs and financial aid, and a guarantee of a job interview with a participating employer for all opportunity internship graduates who successfully complete a postsecondary program of study;

(c) Once the internship or preapprenticeship components have been developed, conduct outreach efforts to inform low-income high school students about high-demand occupations, the opportunity internship program, options for postsecondary programs of study, and the incentives and opportunities provided to students who participate in the program;

(d) Obtain appropriate documentation of the low-income status of students who participate in the program;

1 (e) Maintain communication with opportunity internship graduates
2 of the consortium who enroll in postsecondary programs of study; and

3 (f) Submit an annual report to the board on the progress of and
4 participation in the opportunity internship program of the consortium.

5 (3) Opportunity internship consortia are encouraged to:

6 (a) Provide paid opportunity internships or preapprenticeships,
7 including during the summer months to encourage students to stay
8 enrolled in high school;

9 (b) Work with high schools to offer opportunity internships as
10 approved worksite learning experiences where students can earn high
11 school credit;

12 (c) Designate the local workforce development council as fiscal
13 agent for the opportunity internship program contract;

14 (d) Work with area high schools to incorporate the opportunity
15 internship program into comprehensive guidance and counseling programs
16 such as the navigation 101 program; and

17 (e) Coordinate the opportunity internship program with other
18 workforce development and postsecondary education programs, including
19 opportunity grants, the college bound scholarship program, federal
20 workforce investment act initiatives, and college access challenge
21 grants.

22 (4) The board shall seek federal funds that may be used to support
23 the opportunity internship program, including providing the incentive
24 payments under RCW 28C.18.168."

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26 Renumber the remaining sections consecutively and correct any
27 internal references accordingly.

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29 Correct the title.

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31 On page 4, beginning on line 36, strike all of subsections (1) and
32 (2) and insert the following:

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1 "(1)(a) For rate years 2010 and 2011, each employer described
2 under RCW 50.04.080 may opt to make voluntary contributions to the
3 opportunity express account and receive an opportunity express
4 unemployment tax voucher under subsection (2) of this section. This
5 option may not be exercised by employers as described in RCW 50.44.010
6 and 50.44.030 who have properly elected to make payments in lieu of
7 contributions, taxable local government employers as described in RCW
8 50.44.035, and those employers who are required to make payments in
9 lieu of contributions.

10 (b) The total amount of voluntary contributions made under this
11 section shall be determined by the employer. If the amount of
12 voluntary contributions to the account exceeds eighty-eight million
13 eight hundred forty-four thousand dollars, any excess shall be
14 considered surplus and transferred to the unemployment trust fund for
15 purposes consistent with the requirements of the unemployment trust
16 fund.

17 (c) The state board for community and technical colleges shall
18 maintain a feature on the college board's web site that allows
19 employers to make voluntary contributions and receive vouchers as
20 described in (a) of this subsection, unless the department agrees to
21 maintain such a feature on the department's web site.

22 (2)(a) For rate years 2010 and 2011, the opportunity express
23 unemployment tax voucher is provided for voluntary contributions made
24 under subsection (1) of this section.

25 (b) The amount of a voucher shall equal one hundred ten percent of
26 voluntary contributions or one hundred thousand dollars, whichever is
27 less, and may only be used to pay the portion of contributions
28 attributable to the social cost factor rate under RCW 50.29.025(2).
29 The total amount of all vouchers may not exceed ninety-seven million
30 seven hundred twenty-nine thousand dollars.

31 (c) The employer, and not the department, shall be responsible for
32 maintaining proof of the voucher and accurately adjusting
33 contributions owed by the amount of the voucher. If the employer
34 fails to maintain such proof or make accurate adjustments, the

1 employer shall be subject to penalties for failing to pay
2 contributions on the date on which they are due and payable as
3 prescribed in RCW 50.12.220."

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5 On page 5, beginning on line 31, after "established." strike "Up
6 to eighty-eight million eight hundred forty-four thousand dollars" and
7 insert "Moneys"

8
9 On page 5, line 36, after "partnerships," insert "training
10 programs that facilitate career progression in healthcare
11 occupations,"

12
13 On page 7, line 1, after "(b)" insert "During fiscal year 2006,"

14
15 On page 7, line 2, after "requisitioned" strike "during fiscal
16 year 2006" and insert "~~during fiscal year 2006~~"

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18 On page 7, beginning on line 17, after "(c)" strike all material
19 through "order:" on line 19 and insert: "During fiscal year 2011, if
20 moneys are credited to this state's account in the unemployment trust
21 fund pursuant to section 903(f)(3) of the social security act, as
22 amended in section 2003 of the American recovery and reinvestment act
23 of 2009 (42 U.S.C. Sec. 1103(f)(3)), moneys for the payment of regular
24 benefits as defined in RCW 50.22.010 shall be requisitioned in the
25 following order:"

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27 On page 10, after line 24, insert the following:

28
29 "**Sec. 9.** RCW 50.29.025 and 2009 c 493 s 2 are each amended to
30 read as follows:

31 (1) For contributions assessed for rate years 2005 through 2009,
32 the contribution rate for each employer subject to contributions under
33 RCW 50.24.010 shall be the sum of the array calculation factor rate
34 and the graduated social cost factor rate determined under this

1 subsection, and the solvency surcharge determined under RCW 50.29.041,
2 if any.

3 (a) The array calculation factor rate shall be determined as
4 follows:

5 (i) An array shall be prepared, listing all qualified employers in
6 ascending order of their benefit ratios. The array shall show for
7 each qualified employer: (A) Identification number; (B) benefit
8 ratio; and (C) taxable payrolls for the four consecutive calendar
9 quarters immediately preceding the computation date and reported to
10 the employment security department by the cut-off date.

11 (ii) Each employer in the array shall be assigned to one of forty
12 rate classes according to his or her benefit ratio as follows, and,
13 except as provided in RCW 50.29.026, the array calculation factor rate
14 for each employer in the array shall be the rate specified in the rate
15 class to which the employer has been assigned:

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Benefit Ratio	Rate	Rate
At least	Less	Class (percent)
	than	
0.000001	0.000001	1 0.00
0.000001	0.001250	2 0.13
0.001250	0.002500	3 0.25
0.002500	0.003750	4 0.38
0.003750	0.005000	5 0.50
0.005000	0.006250	6 0.63
0.006250	0.007500	7 0.75
0.007500	0.008750	8 0.88
0.008750	0.010000	9 1.00
0.010000	0.011250	10 1.15
0.011250	0.012500	11 1.30
0.012500	0.013750	12 1.45
0.013750	0.015000	13 1.60
0.015000	0.016250	14 1.75
0.016250	0.017500	15 1.90

1	0.017500	0.018750	16	2.05
2	0.018750	0.020000	17	2.20
3	0.020000	0.021250	18	2.35
4	0.021250	0.022500	19	2.50
5	0.022500	0.023750	20	2.65
6	0.023750	0.025000	21	2.80
7	0.025000	0.026250	22	2.95
8	0.026250	0.027500	23	3.10
9	0.027500	0.028750	24	3.25
10	0.028750	0.030000	25	3.40
11	0.030000	0.031250	26	3.55
12	0.031250	0.032500	27	3.70
13	0.032500	0.033750	28	3.85
14	0.033750	0.035000	29	4.00
15	0.035000	0.036250	30	4.15
16	0.036250	0.037500	31	4.30
17	0.037500	0.040000	32	4.45
18	0.040000	0.042500	33	4.60
19	0.042500	0.045000	34	4.75
20	0.045000	0.047500	35	4.90
21	0.047500	0.050000	36	5.05
22	0.050000	0.052500	37	5.20
23	0.052500	0.055000	38	5.30
24	0.055000	0.057500	39	5.35
25	0.057500		40	5.40

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27 (b) The graduated social cost factor rate shall be determined as
 28 follows:

29 (i)(A) Except as provided in (b)(i)(B) and (C) of this subsection,
 30 the commissioner shall calculate the flat social cost factor for a
 31 rate year by dividing the total social cost by the total taxable
 32 payroll. The division shall be carried to the second decimal place
 33 with the remaining fraction disregarded unless it amounts to five
 34 hundredths or more, in which case the second decimal place shall be

1 rounded to the next higher digit. The flat social cost factor shall
2 be expressed as a percentage.

3 (B) If, on the cut-off date, the balance in the unemployment
4 compensation fund is determined by the commissioner to be an amount
5 that will provide more than ten months of unemployment benefits, the
6 commissioner shall calculate the flat social cost factor for the rate
7 year immediately following the cut-off date by reducing the total
8 social cost by the dollar amount that represents the number of months
9 for which the balance in the unemployment compensation fund on the
10 cut-off date will provide benefits above ten months and dividing the
11 result by the total taxable payroll. However, the calculation under
12 this subsection (1)(b)(i)(B) for a rate year may not result in a flat
13 social cost factor that is more than four-tenths lower than the
14 calculation under (b)(i)(A) of this subsection for that rate year.

15 For the purposes of this subsection, the commissioner shall
16 determine the number of months of unemployment benefits in the
17 unemployment compensation fund using the benefit cost rate for the
18 average of the three highest calendar benefit cost rates in the twenty
19 consecutive completed calendar years immediately preceding the cut-off
20 date or a period of consecutive calendar years immediately preceding
21 the cut-off date that includes three recessions, if longer.

22 (C) The minimum flat social cost factor calculated under this
23 subsection (1)(b) shall be six-tenths of one percent, except that if
24 the balance in the unemployment compensation fund is determined by the
25 commissioner to be an amount that will provide:

26 (I) At least twelve months but less than fourteen months of
27 unemployment benefits, the minimum shall be five-tenths of one
28 percent; or

29 (II) At least fourteen months of unemployment benefits, the
30 minimum shall be five-tenths of one percent, except that, for
31 employers in rate class 1, the minimum shall be forty-five hundredths
32 of one percent.

33 (ii)(A) Except as provided in (b)(ii)(B) of this subsection, the
34 graduated social cost factor rate for each employer in the array is

1 the flat social cost factor multiplied by the percentage specified as
2 follows for the rate class to which the employer has been assigned in
3 (a)(ii) of this subsection, except that the sum of an employer's array
4 calculation factor rate and the graduated social cost factor rate may
5 not exceed six and five-tenths percent or, for employers whose North
6 American industry classification system code is within "111," "112,"
7 "1141," "115," "3114," "3117," "42448," or "49312," may not exceed six
8 percent through rate year 2007 and may not exceed five and seven-
9 tenths percent for rate years 2008 and 2009:

- 10 (I) Rate class 1 - 78 percent;
- 11 (II) Rate class 2 - 82 percent;
- 12 (III) Rate class 3 - 86 percent;
- 13 (IV) Rate class 4 - 90 percent;
- 14 (V) Rate class 5 - 94 percent;
- 15 (VI) Rate class 6 - 98 percent;
- 16 (VII) Rate class 7 - 102 percent;
- 17 (VIII) Rate class 8 - 106 percent;
- 18 (IX) Rate class 9 - 110 percent;
- 19 (X) Rate class 10 - 114 percent;
- 20 (XI) Rate class 11 - 118 percent; and
- 21 (XII) Rate classes 12 through 40 - 120 percent.

22 (B) For contributions assessed beginning July 1, 2005, through
23 December 31, 2007, for employers whose North American industry
24 classification system code is "111," "112," "1141," "115," "3114,"
25 "3117," "42448," or "49312," the graduated social cost factor rate is
26 zero.

27 (iii) For the purposes of this section:

28 (A) "Total social cost" means the amount calculated by subtracting
29 the array calculation factor contributions paid by all employers with
30 respect to the four consecutive calendar quarters immediately
31 preceding the computation date and paid to the employment security
32 department by the cut-off date from the total unemployment benefits
33 paid to claimants in the same four consecutive calendar quarters. To
34 calculate the flat social cost factor for rate year 2005, the

1 commissioner shall calculate the total social cost using the array
2 calculation factor contributions that would have been required to be
3 paid by all employers in the calculation period if (a) of this
4 subsection had been in effect for the relevant period. (~~To calculate
5 the flat social cost factor for rate years 2010 and 2011, the forty
6 five dollar increase paid as part of an individual's weekly benefit
7 amount as provided in RCW 50.20.1201 shall not be considered for
8 purposes of calculating the total unemployment benefits paid to
9 claimants in the four consecutive calendar quarters immediately
10 preceding the computation date.~~)

11 (B) "Total taxable payroll" means the total amount of wages
12 subject to tax, as determined under RCW 50.24.010, for all employers
13 in the four consecutive calendar quarters immediately preceding the
14 computation date and reported to the employment security department by
15 the cut-off date.

16 (c) For employers who do not meet the definition of "qualified
17 employer" by reason of failure to pay contributions when due:

18 (i) The array calculation factor rate shall be two-tenths higher
19 than that in rate class 40, except employers who have an approved
20 agency-deferred payment contract by September 30th of the previous
21 rate year. If any employer with an approved agency-deferred payment
22 contract fails to make any one of the succeeding deferred payments or
23 fails to submit any succeeding tax report and payment in a timely
24 manner, the employer's tax rate shall immediately revert to an array
25 calculation factor rate two-tenths higher than that in rate class 40;
26 and

27 (ii) The social cost factor rate shall be the social cost factor
28 rate assigned to rate class 40 under (b)(ii) of this subsection.

29 (d) For all other employers not qualified to be in the array:

30 (i) For rate years 2005, 2006, and 2007:

31 (A) The array calculation factor rate shall be a rate equal to the
32 average industry array calculation factor rate as determined by the
33 commissioner, plus fifteen percent of that amount; however, the rate
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1 may not be less than one percent or more than the array calculation
2 factor rate in rate class 40; and

3 (B) The social cost factor rate shall be a rate equal to the
4 average industry social cost factor rate as determined by the
5 commissioner, plus fifteen percent of that amount, but not more than
6 the social cost factor rate assigned to rate class 40 under (b)(ii) of
7 this subsection.

8 (ii) For contributions assessed for rate years 2008 and 2009:

9 (A) The array calculation factor rate shall be a rate equal to the
10 average industry array calculation factor rate as determined by the
11 commissioner, multiplied by the history factor, but not less than one
12 percent or more than the array calculation factor rate in rate class
13 40;

14 (B) The social cost factor rate shall be a rate equal to the
15 average industry social cost factor rate as determined by the
16 commissioner, multiplied by the history factor, but not more than the
17 social cost factor rate assigned to rate class 40 under (b)(ii) of
18 this subsection; and

19 (C) The history factor shall be based on the total amounts of
20 benefits charged and contributions paid in the three fiscal years
21 ending prior to the computation date by employers not qualified to be
22 in the array, other than employers in (c) of this subsection, who were
23 first subject to contributions in the calendar year ending three years
24 prior to the computation date. The commissioner shall calculate the
25 history ratio by dividing the total amount of benefits charged by the
26 total amount of contributions paid in this three-year period by these
27 employers. The division shall be carried to the second decimal place
28 with the remaining fraction disregarded unless it amounts to five
29 one-hundredths or more, in which case the second decimal place shall
30 be rounded to the next higher digit. The commissioner shall determine
31 the history factor according to the history ratio as follows:

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History
Ratio

History
Factor

(percent)

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	At least	Less than	
(I)		.95	90
(II)	.95	1.05	100
(III)	1.05		115

(2) For contributions assessed in rate year 2010 and thereafter, the contribution rate for each employer subject to contributions under RCW 50.24.010 shall be the sum of the array calculation factor rate and the graduated social cost factor rate determined under this subsection, and the solvency surcharge determined under RCW 50.29.041, if any.

(a) The array calculation factor rate shall be determined as follows:

(i) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (A) Identification number; (B) benefit ratio; and (C) taxable payrolls for the four consecutive calendar quarters immediately preceding the computation date and reported to the employment security department by the cut-off date.

(ii) Each employer in the array shall be assigned to one of forty rate classes according to his or her benefit ratio as follows, and, except as provided in RCW 50.29.026, the array calculation factor rate for each employer in the array shall be the rate specified in the rate class to which the employer has been assigned:

Benefit Ratio		Rate	Rate
At least	Less than	Class	(percent)
	0.000001	1	0.00
0.000001	0.001250	2	0.11
0.001250	0.002500	3	0.22
0.002500	0.003750	4	0.33
0.003750	0.005000	5	0.43

1	0.005000	0.006250	6	0.54
2	0.006250	0.007500	7	0.65
3	0.007500	0.008750	8	0.76
4	0.008750	0.010000	9	0.88
5	0.010000	0.011250	10	1.01
6	0.011250	0.012500	11	1.14
7	0.012500	0.013750	12	1.28
8	0.013750	0.015000	13	1.41
9	0.015000	0.016250	14	1.54
10	0.016250	0.017500	15	1.67
11	0.017500	0.018750	16	1.80
12	0.018750	0.020000	17	1.94
13	0.020000	0.021250	18	2.07
14	0.021250	0.022500	19	2.20
15	0.022500	0.023750	20	2.38
16	0.023750	0.025000	21	2.50
17	0.025000	0.026250	22	2.63
18	0.026250	0.027500	23	2.75
19	0.027500	0.028750	24	2.88
20	0.028750	0.030000	25	3.00
21	0.030000	0.031250	26	3.13
22	0.031250	0.032500	27	3.25
23	0.032500	0.033750	28	3.38
24	0.033750	0.035000	29	3.50
25	0.035000	0.036250	30	3.63
26	0.036250	0.037500	31	3.75
27	0.037500	0.040000	32	4.00
28	0.040000	0.042500	33	4.25
29	0.042500	0.045000	34	4.50
30	0.045000	0.047500	35	4.75
31	0.047500	0.050000	36	5.00
32	0.050000	0.052500	37	5.15
33	0.052500	0.055000	38	5.25
34	0.055000	0.057500	39	5.30

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3 (b) The graduated social cost factor rate shall be determined as
4 follows:

5 (i)(A) Except as provided in (b)(i)(B) and (C) of this subsection,
6 the commissioner shall calculate the flat social cost factor for a
7 rate year by dividing the total social cost by the total taxable
8 payroll. The division shall be carried to the second decimal place
9 with the remaining fraction disregarded unless it amounts to five
10 hundredths or more, in which case the second decimal place shall be
11 rounded to the next higher digit. The flat social cost factor shall
12 be expressed as a percentage.

13 (B) If, on the cut-off date, the balance in the unemployment
14 compensation fund is determined by the commissioner to be an amount
15 that will provide more than ten months of unemployment benefits, the
16 commissioner shall calculate the flat social cost factor for the rate
17 year immediately following the cut-off date by reducing the total
18 social cost by the dollar amount that represents the number of months
19 for which the balance in the unemployment compensation fund on the
20 cut-off date will provide benefits above ten months and dividing the
21 result by the total taxable payroll. However, the calculation under
22 this subsection (2)(b)(i)(B) for a rate year may not result in a flat
23 social cost factor that is more than four-tenths lower than the
24 calculation under (b)(i)(A) of this subsection for that rate year.

25 For the purposes of this subsection, the commissioner shall
26 determine the number of months of unemployment benefits in the
27 unemployment compensation fund using the benefit cost rate for the
28 average of the three highest calendar benefit cost rates in the twenty
29 consecutive completed calendar years immediately preceding the cut-off
30 date or a period of consecutive calendar years immediately preceding
31 the cut-off date that includes three recessions, if longer. On the
32 cut-off dates in 2010, 2011, and 2012, the commissioner shall
33 determine the balance in the unemployment compensation fund by
34 excluding moneys credited to this state's account in the unemployment

1 trust fund pursuant to section 903(f)(3) of the social security act,
2 as amended in section 2003 of the American recovery and reinvestment
3 act of 2009 (42 U.S.C. Sec. 1103(f)(3)) and including an amount equal
4 to opportunity express unemployment tax credits taken under section 4
5 of this act.

6 (C) The minimum flat social cost factor calculated under this
7 subsection (2)(b) shall be six-tenths of one percent, except that if
8 the balance in the unemployment compensation fund is determined by the
9 commissioner to be an amount that will provide:

10 (I) At least ten months but less than eleven months of
11 unemployment benefits, the minimum shall be five-tenths of one
12 percent; or

13 (II) At least eleven months but less than twelve months of
14 unemployment benefits, the minimum shall be forty-five hundredths of
15 one percent; or

16 (III) At least twelve months but less than thirteen months of
17 unemployment benefits, the minimum shall be four-tenths of one
18 percent; or

19 (IV) At least thirteen months but less than fifteen months of
20 unemployment benefits, the minimum shall be thirty-five hundredths of
21 one percent; or

22 (V) At least fifteen months but less than seventeen months of
23 unemployment benefits, the minimum shall be twenty-five hundredths of
24 one percent; or

25 (VI) At least seventeen months but less than eighteen months of
26 unemployment benefits, the minimum shall be fifteen hundredths of one
27 percent; or

28 (VII) At least eighteen months of unemployment benefits, the
29 minimum shall be fifteen hundredths of one percent through rate year
30 2011 and shall be zero thereafter.

31 (ii) The graduated social cost factor rate for each employer in
32 the array is the flat social cost factor multiplied by the percentage
33 specified as follows for the rate class to which the employer has been
34 assigned in (a)(ii) of this subsection, except that the sum of an

1 employer's array calculation factor rate and the graduated social cost
2 factor rate may not exceed six percent or, for employers whose North
3 American industry classification system code is within "111," "112,"
4 "1141," "115," "3114," "3117," "42448," or "49312," may not exceed
5 five and four-tenths percent:

- 6 (A) Rate class 1 - 78 percent;
- 7 (B) Rate class 2 - 82 percent;
- 8 (C) Rate class 3 - 86 percent;
- 9 (D) Rate class 4 - 90 percent;
- 10 (E) Rate class 5 - 94 percent;
- 11 (F) Rate class 6 - 98 percent;
- 12 (G) Rate class 7 - 102 percent;
- 13 (H) Rate class 8 - 106 percent;
- 14 (I) Rate class 9 - 110 percent;
- 15 (J) Rate class 10 - 114 percent;
- 16 (K) Rate class 11 - 118 percent; and
- 17 (L) Rate classes 12 through 40 - 120 percent.

18 (iii) For the purposes of this section:

19 (A) "Total social cost" means the amount calculated by subtracting
20 the array calculation factor contributions paid by all employers with
21 respect to the four consecutive calendar quarters immediately
22 preceding the computation date and paid to the employment security
23 department by the cut-off date from the total unemployment benefits
24 paid to claimants in the same four consecutive calendar quarters. To
25 calculate the flat social cost factor for rate years 2010 and 2011,
26 the forty-five dollar increase paid as part of an individual's weekly
27 benefit amount as provided in RCW 50.20.1201 shall not be considered
28 for purposes of calculating the total unemployment benefits paid to
29 claimants in the four consecutive calendar quarters immediately
30 preceding the computation date.

31 (B) "Total taxable payroll" means the total amount of wages
32 subject to tax, as determined under RCW 50.24.010, for all employers
33 in the four consecutive calendar quarters immediately preceding the
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1 computation date and reported to the employment security department by
2 the cut-off date.

3 (c) For employers who do not meet the definition of "qualified
4 employer" by reason of failure to pay contributions when due:

5 (i) The array calculation factor rate shall be two-tenths higher
6 than that in rate class 40, except employers who have an approved
7 agency-deferred payment contract by September 30th of the previous
8 rate year. If any employer with an approved agency-deferred payment
9 contract fails to make any one of the succeeding deferred payments or
10 fails to submit any succeeding tax report and payment in a timely
11 manner, the employer's tax rate shall immediately revert to an array
12 calculation factor rate two-tenths higher than that in rate class 40;
13 and

14 (ii) The social cost factor rate shall be the social cost factor
15 rate assigned to rate class 40 under (b)(ii) of this subsection.

16 (d) For all other employers not qualified to be in the array:

17 (i) The array calculation factor rate shall be a rate equal to the
18 average industry array calculation factor rate as determined by the
19 commissioner, multiplied by the history factor, but not less than one
20 percent or more than the array calculation factor rate in rate class
21 40;

22 (ii) The social cost factor rate shall be a rate equal to the
23 average industry social cost factor rate as determined by the
24 commissioner, multiplied by the history factor, but not more than the
25 social cost factor rate assigned to rate class 40 under (b)(ii) of
26 this subsection; and

27 (iii) The history factor shall be based on the total amounts of
28 benefits charged and contributions paid in the three fiscal years
29 ending prior to the computation date by employers not qualified to be
30 in the array, other than employers in (c) of this subsection, who were
31 first subject to contributions in the calendar year ending three years
32 prior to the computation date. The commissioner shall calculate the
33 history ratio by dividing the total amount of benefits charged by the
34 total amount of contributions paid in this three-year period by these

1 employers. The division shall be carried to the second decimal place
2 with the remaining fraction disregarded unless it amounts to five
3 one-hundredths or more, in which case the second decimal place shall
4 be rounded to the next higher digit. The commissioner shall determine
5 the history factor according to the history ratio as follows:

	History		History
	Ratio		Factor
			(percent)
6			
7			
8			
9			
10	At least	Less than	
11	(A)	.95	90
12	(B)	.95	100
13	(C)	1.05	115
14			

15 (3) Assignment of employers by the commissioner to industrial
16 classification, for purposes of this section, shall be in accordance
17 with established classification practices found in the North American
18 industry classification system code."

19
20 Renumber the remaining sections consecutively and correct any
21 internal references accordingly.

22
23 Correct the title.

24
25 On page 11, after line 6, insert the following:

26
27 "NEW SECTION. **Sec. 12.** If funding from federal sources is not
28 provided by June 30, 2010, to ensure that social costs to employers
29 will not increase due to the opportunity express unemployment tax
30 voucher in section 4 of this act, sections 4 through 10 of this act
31 are null and void."

32
33 Correct the title.

EFFECT:

Expands the Opportunity Internship Program in FY 2011 through 2013 from 10 consortia to 12 consortia, and from 1,000 students per year (100 per year per consortia) to 5,000 students per year (statewide).

Requires that the State Board for Community and Technical Colleges maintain a feature on the Board's web site that allows employers to make voluntary contributions to the Opportunity Express Account and receive Opportunity Express unemployment tax vouchers, unless the Employment Security Department agrees to maintain such a feature on the Department's web site.

Caps the amount of the voucher at the lesser of 110 percent of the voluntary contribution or \$100,000.

Specifies that the employer, and not the Employment Security Department, is responsible for maintaining proof of the voucher and accurately adjusting contributions owed by the amount of the voucher.

Specifies that "moneys" in the Opportunity Express Account (rather than a specific sum) may be spent only after appropriation.

Adds training programs that facilitate career progression in healthcare occupations to the allowable uses of the Opportunity Express Account.

Provides that, in FY 2011, moneys for regular benefits are requisitioned first from the remainder of the Modernization Incentive Payment only if the remainder is credited to the state's account in the Unemployment Trust Fund.

Requires that, on the cut-off date in 2010, 2011, and 2012, the balance in the Unemployment Compensation Fund is determined by excluding moneys from Modernization Incentive Payments and including an amount equal to Opportunity Express unemployment tax credits.

Makes sections 4 through 10 (voluntary contributions and tax credits) null and void if funding from federal sources is not provided by June 30, 2010, to ensure that social costs to employers will not increase due to the tax voucher.

33

34

--- END ---