

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 5702**

Chapter 483, Laws of 1993

53rd Legislature  
1993 Regular Session

UNEMPLOYMENT COMPENSATION--REVISED PROVISIONS

EFFECTIVE DATE: 7/25/93 - Except Sections 1, 2, 8 through 11, & 19 which take effect on 7/3/93; Sections 12 & 16 which take effect on 5/17/93; Sections 13 & 14 which take effect on 1/1/94; & Sections 3, 4, & 5 which take effect on 1/2/94.

Passed by the Senate April 21, 1993  
YEAS 29 NAYS 19

JOEL PRITCHARD

**President of the Senate**

Passed by the House April 14, 1993  
YEAS 56 NAYS 42

BRIAN EBERSOLE

**Speaker of the  
House of Representatives**

Approved May 17, 1993

MIKE LOWRY

**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5702** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

**Secretary**

FILED

May 17, 1993 - 2:19 p.m.

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 5702**

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AS AMENDED BY THE SENATE

Passed Legislature - 1993 Regular Session

**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** Senate Committee on Labor & Commerce (originally sponsored by Senators Prentice, Wojahn and Franklin; by request of Employment Security Department)

Read first time 03/03/93.

1       AN ACT Relating to unemployment insurance; amending RCW 50.04.323,  
2 50.06.010, 50.06.020, 50.06.030, 50.13.040, 50.16.010, 50.20.050,  
3 50.20.060, 50.20.080, 50.20.120, 50.20.190, 50.22.010, 50.22.020,  
4 50.22.030, 50.22.050, 50.29.020, 50.24.014, and 50.29.025; adding a new  
5 section to chapter 50.04 RCW; adding new sections to chapter 50.20 RCW;  
6 creating new sections; providing effective dates; and declaring an  
7 emergency.

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

9       NEW SECTION. **Sec. 1.** A new section is added to chapter 50.04 RCW  
10 to read as follows:

11       "Misconduct" means an employee's act or failure to act in willful  
12 disregard of his or her employer's interest where the effect of the  
13 employee's act or failure to act is to harm the employer's business.

14       **Sec. 2.** RCW 50.04.323 and 1983 1st ex.s. c 23 s 7 are each amended  
15 to read as follows:

16       (1) The amount of benefits payable to an individual for any week  
17 which begins after October 3, 1980, and which begins in a period with  
18 respect to which such individual is receiving a governmental or other

1 pension, retirement or retired pay, annuity, or any other similar  
2 periodic payment which is based on the previous work of such individual  
3 shall be reduced (but not below zero) by an amount equal to the amount  
4 of such pension, retirement or retired pay, annuity, or other payment,  
5 which is reasonably attributable to such week(~~(: PROVIDED, That)~~).

6 However:

7 (a) The requirements of this subsection shall apply to any pension,  
8 retirement or retired pay, annuity, or other similar periodic payment  
9 only if--

10 (i) Such pension, retirement or retired pay, annuity, or similar  
11 payment is under a plan maintained (or contributed to) by a base period  
12 employer; and

13 (ii) In the case of such a payment not made under the Social  
14 Security Act or the Railroad Retirement Act of 1974 (or corresponding  
15 provisions of prior law), services performed for such employer by the  
16 individual after the beginning of the base period (or remuneration for  
17 such services) affect eligibility for, or increase the amount of, such  
18 pension, retirement or retired pay, annuity, or similar payment;  
19 ((and))

20 (b) The amount of any such a reduction shall take into account  
21 contributions made by the individual for the pension, retirement or  
22 retired pay, annuity, or other similar periodic payment, in accordance  
23 with regulations prescribed by the commissioner; and

24 (c) No deduction shall be made from the amount of benefits payable  
25 for a week for individuals receiving federal social security pensions  
26 to take into account the individuals' contributions to the pension  
27 program.

28 (2) In the event that a retroactive pension or retirement payment  
29 covers a period in which an individual received benefits under the  
30 provisions of this title, the amount in excess of the amount to which  
31 such individual would have been entitled had such retirement or pension  
32 payment been considered as provided in this section shall be  
33 recoverable under RCW 50.20.190.

34 (3) A lump sum payment accumulated in a plan described in this  
35 section paid to an individual eligible for such payment shall be  
36 prorated over the life expectancy of the individual computed in  
37 accordance with the commissioner's regulation.

1 (4) The resulting weekly benefit amount payable after reduction  
2 under this section, if not a multiple of one dollar, shall be reduced  
3 to the next lower multiple of one dollar.

4 (5) Any ambiguity in subsection (1) of this section should be  
5 construed in a manner consistent with 26 U.S.C. Sec. 3304 (a)(15) as  
6 last amended by P.L. 96-364.

7 **Sec. 3.** RCW 50.06.010 and 1984 c 65 s 1 are each amended to read  
8 as follows:

9 This chapter is enacted for the purpose of providing the protection  
10 of the unemployment compensation system to persons who have suffered a  
11 temporary total disability (~~compensable under industrial insurance or~~  
12 ~~crime victims compensation laws~~) and is a recognition by this  
13 legislature of the economic hardship confronting those persons who have  
14 not been promptly reemployed after a prolonged period of temporary  
15 total disability.

16 **Sec. 4.** RCW 50.06.020 and 1984 c 65 s 2 are each amended to read  
17 as follows:

18 The benefits of this chapter shall be allowed only to:

19 (1) Individuals who have suffered a temporary total disability and  
20 have received compensation under the industrial insurance or crime  
21 victims compensation laws of this state, any other state or the United  
22 States for a period of not less than thirteen consecutive calendar  
23 weeks by reason of such temporary total disability (~~shall be allowed~~  
24 the benefits of this chapter)); or

25 (2) Individuals who are reentering the work force after an absence  
26 of not less than thirteen consecutive calendar weeks resulting from  
27 temporary total physical disability because of a nonwork-related injury  
28 or illness: PROVIDED, That individuals authorized to receive benefits  
29 under this subsection are required to meet other eligibility  
30 requirements under Title 50 RCW.

31 **Sec. 5.** RCW 50.06.030 and 1987 c 278 s 3 are each amended to read  
32 as follows:

33 (1) In the case of individuals eligible under RCW 50.06.020(1), an  
34 application for initial determination made pursuant to this chapter, to  
35 be considered timely, must be filed in writing with the employment  
36 security department within twenty-six weeks following the week in which

1 the period of temporary total disability commenced. Notice from the  
2 department of labor and industries shall satisfy this requirement. The  
3 records of the agency supervising the award of compensation shall be  
4 conclusive evidence of the fact of temporary disability and the  
5 beginning date of such disability.

6 (2) In the case of individuals eligible under RCW 50.06.020(2), an  
7 application for initial determination must be filed in writing with the  
8 employment security department within twenty-six weeks following the  
9 week in which the period of temporary total physical disability  
10 commenced. This filing requirement is satisfied by filing a signed  
11 statement from the attending physician stating the date that the  
12 disability commenced and stating that the individual was unable to  
13 reenter the work force during the time of the disability. The  
14 department may examine any medical information related to the  
15 disability. If the claim is appealed, a base year employer may examine  
16 the medical information related to the disability and require, at the  
17 employer's expense, that the individual obtain the opinion of a second  
18 health care provider selected by the employer concerning any  
19 information related to the disability.

20 (3) The employment security department shall process and issue an  
21 initial determination of entitlement or nonentitlement as the case may  
22 be.

23 (4) For the purpose of this chapter, a special base year is  
24 established for an individual consisting of either the first four of  
25 the last five completed calendar quarters or the last four completed  
26 calendar quarters immediately prior to the first day of the calendar  
27 week in which the individual's temporary total disability commenced,  
28 and a special individual benefit year is established consisting of the  
29 entire period of disability and a fifty-two consecutive week period  
30 commencing with the first day of the calendar week immediately  
31 following the week or part thereof with respect to which the individual  
32 received his final temporary total disability compensation under the  
33 applicable industrial insurance or crime victims compensation laws, or  
34 the week in which the individual reentered the work force after an  
35 absence under subsection (2) of this section, as applicable, except  
36 that no special benefit year shall have a duration in excess of three  
37 hundred twelve calendar weeks: PROVIDED HOWEVER, That such special  
38 benefit year will not be established unless the criteria contained in  
39 RCW 50.04.030 has been met, except that an individual meeting the

1 ((~~disability and filing~~)) eligibility requirements of this chapter and  
2 who has an unexpired benefit year established which would overlap the  
3 special benefit year provided by this chapter, notwithstanding the  
4 provisions in RCW 50.04.030 relating to the establishment of a  
5 subsequent benefit year and RCW 50.40.010 relating to waiver of rights,  
6 may elect to establish a special benefit year under this chapter:  
7 PROVIDED FURTHER, that the unexpired benefit year shall be terminated  
8 with the beginning of the special benefit year if the individual elects  
9 to establish such special benefit year.

10 (5) For the purposes of establishing a benefit year, the department  
11 shall initially use the first four of the last five completed calendar  
12 quarters as the base year. If a benefit year is not established using  
13 the first four of the last five calendar quarters as the base year, the  
14 department shall use the last four completed calendar quarters as the  
15 base year.

16 **Sec. 6.** RCW 50.13.040 and 1977 ex.s. c 153 s 4 are each amended to  
17 read as follows:

18 (1) An individual shall have access to all records and information  
19 concerning that individual held by the department of employment  
20 security, unless the information is exempt from disclosure under RCW  
21 42.17.310.

22 (2) An employing unit shall have access to its own records and to  
23 any records and information relating to a benefit claim by an  
24 individual if the employing unit is either the individual's last  
25 employer or is the individual's base year employer.

26 (3) An employing unit shall have access to any records and  
27 information relating to any decision to allow or deny benefits if:

28 (a) The decision is based on employment or an offer of employment  
29 with the employing unit; or

30 (b) If the decision is based on material information provided by  
31 the employing unit.

32 (4) An employing unit shall have access to general summaries of  
33 benefit claims by individuals whose benefits are chargeable to the  
34 employing unit's experience rating or reimbursement account.

35 **Sec. 7.** RCW 50.16.010 and 1991 sp.s. c 13 s 59 are each amended to  
36 read as follows:

1       There shall be maintained as special funds, separate and apart from  
2 all public moneys or funds of this state an unemployment compensation  
3 fund, an administrative contingency fund, and a federal interest  
4 payment fund, which shall be administered by the commissioner  
5 exclusively for the purposes of this title, and to which RCW 43.01.050  
6 shall not be applicable. The unemployment compensation fund shall  
7 consist of

8       (1) all contributions and payments in lieu of contributions  
9 collected pursuant to the provisions of this title,

10       (2) any property or securities acquired through the use of moneys  
11 belonging to the fund,

12       (3) all earnings of such property or securities,

13       (4) any moneys received from the federal unemployment account in  
14 the unemployment trust fund in accordance with Title XII of the social  
15 security act, as amended,

16       (5) all money recovered on official bonds for losses sustained by  
17 the fund,

18       (6) all money credited to this state's account in the unemployment  
19 trust fund pursuant to section 903 of the social security act, as  
20 amended,

21       (7) all money received from the federal government as reimbursement  
22 pursuant to section 204 of the federal-state extended compensation act  
23 of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and

24       (8) all moneys received for the fund from any other source.

25       All moneys in the unemployment compensation fund shall be  
26 commingled and undivided.

27       The administrative contingency fund shall consist of all interest  
28 on delinquent contributions collected pursuant to this title, all fines  
29 and penalties collected pursuant to the provisions of this title, all  
30 sums recovered on official bonds for losses sustained by the fund, and  
31 revenue received under RCW 50.24.014: PROVIDED, That all fees, fines,  
32 forfeitures and penalties collected or assessed by a district court  
33 because of the violation of a state law shall be remitted as provided  
34 in chapter 3.62 RCW as now exists or is later amended. Moneys  
35 available in the administrative contingency fund, other than money in  
36 the special account created under RCW 50.24.014, shall be expended upon  
37 the direction of the commissioner, with the approval of the governor,  
38 whenever it appears to him or her that such expenditure is necessary  
39 for:

1 (a) The proper administration of this title and no federal funds  
2 are available for the specific purpose to which such expenditure is to  
3 be made, provided, the moneys are not substituted for appropriations  
4 from federal funds which, in the absence of such moneys, would be made  
5 available.

6 (b) The proper administration of this title for which purpose  
7 appropriations from federal funds have been requested but not yet  
8 received, provided, the administrative contingency fund will be  
9 reimbursed upon receipt of the requested federal appropriation.

10 (c) The proper administration of this title for which compliance  
11 and audit issues have been identified that establish federal claims  
12 requiring the expenditure of state resources in resolution. Claims  
13 must be resolved in the following priority: First priority is to  
14 provide services to eligible participants within the state; second  
15 priority is to provide substitute services or program support; and last  
16 priority is the direct payment of funds to the federal government.

17 Money in the special account created under RCW 50.24.014 may only  
18 be expended, after appropriation, for the purposes specified in RCW  
19 (~~((74.09.035, 74.09.510, 74.09.520, and 74.09.700))~~) 50.62.010,  
20 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010, 50.29.025,  
21 50.24.014, 50.44.053, and 50.22.010.

22 **Sec. 8.** RCW 50.20.050 and 1982 1st ex.s. c 18 s 6 are each amended  
23 to read as follows:

24 (1) An individual shall be disqualified from benefits beginning  
25 with the first day of the calendar week in which he or she has left  
26 work voluntarily without good cause and thereafter for five calendar  
27 weeks and until he or she has obtained bona fide work and earned wages  
28 (~~((of not less than his or her suspended weekly benefit amount in each~~  
29 ~~of five calendar weeks))~~) equal to five times his or her weekly benefit  
30 amount.

31 The disqualification shall continue if the work obtained is a mere  
32 sham to qualify for benefits and is not bona fide work. In determining  
33 whether work is of a bona fide nature, the commissioner shall consider  
34 factors including but not limited to the following:

35 (a) The duration of the work;

36 (b) The extent of direction and control by the employer over the  
37 work; and



1 (c) The level of skill required for the work in light of the  
2 individual's training and experience.

3 (2) An individual shall not be considered to have left work  
4 voluntarily without good cause when:

5 (a) He or she has left work to accept a bona fide offer of bona  
6 fide work as described in subsection (1) of this section; (~~or~~)

7 (b) The separation was because of the illness or disability of the  
8 claimant or the death, illness, or disability of a member of the  
9 claimant's immediate family if the claimant took all reasonable  
10 precautions, in accordance with any regulations that the commissioner  
11 may prescribe, to protect his or her employment status by having  
12 promptly notified the employer of the reason for the absence and by  
13 having promptly requested reemployment when again able to assume  
14 employment: PROVIDED, That these precautions need not have been taken  
15 when they would have been a futile act, including those instances when  
16 the futility of the act was a result of a recognized labor/management  
17 dispatch system; or

18 (c) He or she has left work to relocate for the spouse's employment  
19 that is outside the existing labor market area if the claimant remained  
20 employed as long as was reasonable prior to the move.

21 (3) In determining under this section whether an individual has  
22 left work voluntarily without good cause, the commissioner shall only  
23 consider work-connected factors such as the degree of risk involved to  
24 the individual's health, safety, and morals, the individual's physical  
25 fitness for the work, the individual's ability to perform the work, and  
26 such other work connected factors as the commissioner may deem  
27 pertinent, including state and national emergencies. Good cause shall  
28 not be established for voluntarily leaving work because of its distance  
29 from an individual's residence where the distance was known to the  
30 individual at the time he or she accepted the employment and where, in  
31 the judgment of the department, the distance is customarily traveled by  
32 workers in the individual's job classification and labor market, nor  
33 because of any other significant work factor which was generally known  
34 and present at the time he or she accepted employment, unless the  
35 related circumstances have so changed as to amount to a substantial  
36 involuntary deterioration of the work factor or unless the commissioner  
37 determines that other related circumstances would work an unreasonable  
38 hardship on the individual were he or she required to continue in the  
39 employment.

1 (4) Subsections (1) and (3) of this section shall not apply to an  
2 individual whose marital status or domestic responsibilities cause him  
3 or her to leave employment. Such an individual shall not be eligible  
4 for unemployment insurance benefits beginning with the first day of the  
5 calendar week in which he or she left work and thereafter for five  
6 calendar weeks and until he or she has requalified, either by obtaining  
7 bona fide work and earning wages (~~(of not less than the suspended~~  
8 ~~weekly benefit amount in each of five calendar weeks)) equal to five~~  
9 times his or her weekly benefit amount or by reporting in person to the  
10 department during ten different calendar weeks and certifying on each  
11 occasion that he or she is ready, able, and willing to immediately  
12 accept any suitable work which may be offered, is actively seeking work  
13 pursuant to customary trade practices, and is utilizing such employment  
14 counseling and placement services as are available through the  
15 department. This subsection does not apply to individuals covered by  
16 subsection (2) (b) or (c) of this section.

17 **Sec. 9.** RCW 50.20.060 and 1982 1st ex.s. c 18 s 16 are each  
18 amended to read as follows:

19 (~~(1)~~) An individual shall be disqualified from benefits beginning  
20 with the first day of the calendar week in which he or she has been  
21 discharged or suspended for misconduct connected with his or her work  
22 and thereafter for five calendar weeks and until he or she has obtained  
23 work and earned wages (~~(of not less than the suspended weekly benefit~~  
24 ~~amount in each of five calendar weeks)) equal to five times his or her~~  
25 benefit amount. Alcoholism shall not constitute a defense to  
26 disqualification from benefits due to misconduct.

27 (~~(2)~~ ~~An individual who has been discharged because of a felony or~~  
28 ~~a gross misdemeanor of which he or she has been convicted, or has~~  
29 ~~admitted committing to a competent authority, and which is connected~~  
30 ~~with his or her work shall be disqualified from receiving any benefits~~  
31 ~~for which base year credits are earned in any employment prior to the~~  
32 ~~discharge. Such disqualification begins with the first day of the~~  
33 ~~calendar week in which he or she has been discharged, and all benefits~~  
34 ~~paid during the period the individual was disqualified shall be~~  
35 ~~recoverable, notwithstanding RCW 50.20.190, 50.24.020, or any other~~  
36 ~~provision of this title.))~~

1       **Sec. 10.** RCW 50.20.080 and 1959 c 321 s 1 are each amended to read  
2 as follows:

3       An individual is disqualified for benefits, if the commissioner  
4 finds that ((he)) the individual has failed without good cause, either  
5 to apply for available, suitable work when so directed by the  
6 employment office or the commissioner, or to accept suitable work when  
7 offered ((him)) the individual, or to return to his or her customary  
8 self-employment (if any) when so directed by the commissioner. Such  
9 disqualification shall begin with the week of the refusal and  
10 thereafter for five calendar weeks and continue until ((he)) the  
11 individual has obtained work and earned wages therefor of not less than  
12 five times his or her suspended weekly benefit amount ((in each of five  
13 weeks)).

14       **NEW SECTION. Sec. 11.** A new section is added to chapter 50.20 RCW  
15 to read as follows:

16       CANCELLATION OF WAGE/HOUR CREDITS. (1) An individual who has been  
17 discharged from his or her work because of a felony or gross  
18 misdemeanor of which he or she has been convicted, or has admitted  
19 committing to a competent authority, and that is connected with his or  
20 her work shall have all hourly wage credits based on that employment  
21 canceled.

22       (2) The employer shall notify the department of such an admission  
23 or conviction, not later than six months following the admission or  
24 conviction.

25       (3) The claimant shall disclose any conviction of the claimant of  
26 a work-connected felony or gross misdemeanor occurring in the previous  
27 two years to the department at the time of application for benefits.

28       (4) All benefits that are paid in error based on wage/hour credits  
29 that should have been removed from the claimant's base year are  
30 recoverable, notwithstanding RCW 50.20.190 or 50.24.020 or any other  
31 provisions of this title.

32       **Sec. 12.** RCW 50.20.120 and 1984 c 205 s 1 are each amended to read  
33 as follows:

34       (1) Subject to the other provisions of this title, benefits shall  
35 be payable to any eligible individual during the individual's benefit  
36 year in a maximum amount equal to the lesser of thirty times the weekly  
37 benefit amount (determined hereinafter) or one-third of the

1 individual's base year wages under this title: PROVIDED, That as to  
2 any week beginning on and after March 31, 1981, which falls in an  
3 extended benefit period as defined in RCW 50.22.010(1), as now or  
4 hereafter amended, an individual's eligibility for maximum benefits in  
5 excess of twenty-six times his or her weekly benefit amount will be  
6 subject to the terms and conditions set forth in RCW 50.22.020, as now  
7 or hereafter amended.

8 (2) An individual's weekly benefit amount shall be an amount equal  
9 to one twenty-fifth of the average quarterly wages of the individual's  
10 total wages during the two quarters of the individual's base year in  
11 which such total wages were highest. The maximum and minimum amounts  
12 payable weekly shall be determined as of each June 30th to apply to  
13 benefit years beginning in the twelve-month period immediately  
14 following such June 30th. The maximum amount payable weekly shall be  
15 ~~((fifty-five))~~ seventy percent of the "average weekly wage" for the  
16 calendar year preceding such June 30th(~~(: PROVIDED, That if as of the~~  
17 ~~first December 31st on which the ratio of the balance in the~~  
18 ~~unemployment compensation fund to total remuneration paid by all~~  
19 ~~employers subject to contributions during the calendar year ending on~~  
20 ~~such December 31st and reported to the department by the following~~  
21 ~~March 31st is 0.024 or more, the maximum amount payable weekly for~~  
22 ~~benefit years beginning with the first full calendar week in July next~~  
23 ~~following, and thereafter, shall be sixty percent of the "average~~  
24 ~~weekly wage". The computation for this ratio shall be carried to the~~  
25 ~~fourth decimal place with the remaining fraction, if any, disregarded:~~  
26 ~~PROVIDED FURTHER, That for benefit years beginning before July 7, 1985,~~  
27 ~~the maximum amount payable weekly shall not exceed one hundred eighty-~~  
28 ~~five dollars)). The minimum amount payable weekly shall be fifteen~~  
29 percent of the "average weekly wage" for the calendar year preceding  
30 such June 30th. If any weekly benefit, maximum benefit, or minimum  
31 benefit amount computed herein is not a multiple of one dollar, it  
32 shall be reduced to the next lower multiple of one dollar.

33 **Sec. 13.** RCW 50.20.190 and 1991 c 117 s 3 are each amended to read  
34 as follows:

35 (1) An individual who is paid any amount as benefits under this  
36 title to which he or she is not entitled shall, unless otherwise  
37 relieved pursuant to this section, be liable for repayment of the  
38 amount overpaid. The department shall issue an overpayment assessment

1 setting forth the reasons for and the amount of the overpayment. The  
2 amount assessed, to the extent not collected, may be deducted from any  
3 future benefits payable to the individual: PROVIDED, That in the  
4 absence of fraud, misrepresentation, or willful nondisclosure, every  
5 determination of liability shall be mailed or personally served not  
6 later than two years after the close of the individual's benefit year  
7 in which the purported overpayment was made unless the merits of the  
8 claim are subjected to administrative or judicial review in which event  
9 the period for serving the determination of liability shall be extended  
10 to allow service of the determination of liability during the six-month  
11 period following the final decision affecting the claim.

12 (2) The commissioner may waive an overpayment if the commissioner  
13 finds that said overpayment was not the result of fraud,  
14 misrepresentation, willful nondisclosure, or fault attributable to the  
15 individual and that the recovery thereof would be against equity and  
16 good conscience: PROVIDED, HOWEVER, That the overpayment so waived  
17 shall be charged against the individual's applicable entitlement for  
18 the eligibility period containing the weeks to which the overpayment  
19 was attributed as though such benefits had been properly paid.

20 (3) Any assessment herein provided shall constitute a determination  
21 of liability from which an appeal may be had in the same manner and to  
22 the same extent as provided for appeals relating to determinations in  
23 respect to claims for benefits: PROVIDED, That an appeal from any  
24 determination covering overpayment only shall be deemed to be an appeal  
25 from the determination which was the basis for establishing the  
26 overpayment unless the merits involved in the issue set forth in such  
27 determination have already been heard and passed upon by the appeal  
28 tribunal. If no such appeal is taken to the appeal tribunal by the  
29 individual within thirty days of the delivery of the notice of  
30 determination of liability, or within thirty days of the mailing of the  
31 notice of determination, whichever is the earlier, said determination  
32 of liability shall be deemed conclusive and final. Whenever any such  
33 notice of determination of liability becomes conclusive and final, the  
34 commissioner, upon giving at least twenty days notice by certified mail  
35 return receipt requested to the individual's last known address of the  
36 intended action, may file with the superior court clerk of any county  
37 within the state a warrant in the amount of the notice of determination  
38 of liability plus a filing fee of five dollars. The clerk of the  
39 county where the warrant is filed shall immediately designate a

1 superior court cause number for the warrant, and the clerk shall cause  
2 to be entered in the judgment docket under the superior court cause  
3 number assigned to the warrant, the name of the person(s) mentioned in  
4 the warrant, the amount of the notice of determination of liability,  
5 and the date when the warrant was filed. The amount of the warrant as  
6 docketed shall become a lien upon the title to, and any interest in,  
7 all real and personal property of the person(s) against whom the  
8 warrant is issued, the same as a judgment in a civil case duly docketed  
9 in the office of such clerk. A warrant so docketed shall be sufficient  
10 to support the issuance of writs of execution and writs of garnishment  
11 in favor of the state in the manner provided by law for a civil  
12 judgment. A copy of the warrant shall be mailed to the person(s)  
13 mentioned in the warrant by certified mail to the person's last known  
14 address within five days of its filing with the clerk.

15 (4) On request of any agency which administers an employment  
16 security law of another state, the United States, or a foreign  
17 government and which has found in accordance with the provisions of  
18 such law that a claimant is liable to repay benefits received under  
19 such law, the commissioner may collect the amount of such benefits from  
20 the claimant to be refunded to the agency. In any case in which under  
21 this section a claimant is liable to repay any amount to the agency of  
22 another state, the United States, or a foreign government, such amounts  
23 may be collected without interest by civil action in the name of the  
24 commissioner acting as agent for such agency if the other state, the  
25 United States, or the foreign government extends such collection rights  
26 to the employment security department of the state of Washington, and  
27 provided that the court costs be paid by the governmental agency  
28 benefiting from such collection.

29 (5) Any employer who is a party to a back pay award or settlement  
30 due to loss of wages shall, within thirty days of the award or  
31 settlement, report to the department the amount of the award or  
32 settlement, the name and social security number of the recipient of the  
33 award or settlement, and the period for which it is awarded. When an  
34 individual has been awarded or receives back pay, for benefit purposes  
35 the amount of the back pay shall constitute wages paid in the period  
36 for which it was awarded. For contribution purposes, the back pay  
37 award or settlement shall constitute wages paid in the period in which  
38 it was actually paid. The following requirements shall also apply:

1 (a) The employer shall reduce the amount of the back pay award or  
2 settlement by an amount determined by the department based upon the  
3 amount of unemployment benefits received by the recipient of the award  
4 or settlement during the period for which the back pay award or  
5 settlement was awarded;

6 (b) The employer shall pay to the unemployment compensation fund,  
7 in a manner specified by the commissioner, an amount equal to the  
8 amount of such reduction;

9 (c) The employer shall also pay to the department any taxes due for  
10 unemployment insurance purposes on the entire amount of the back pay  
11 award or settlement notwithstanding any reduction made pursuant to (a)  
12 of this subsection;

13 (d) If the employer fails to reduce the amount of the back pay  
14 award or settlement as required in (a) of this subsection, the  
15 department shall issue an overpayment assessment against the recipient  
16 of the award or settlement in the amount that the back pay award or  
17 settlement should have been reduced; and

18 (e) If the employer fails to pay to the department an amount equal  
19 to the reduction as required in (b) of this subsection, the department  
20 shall issue an assessment of liability against the employer which shall  
21 be collected pursuant to the procedures for collection of assessments  
22 provided herein and in RCW 50.24.110.

23 (6) When an individual fails to repay an overpayment assessment  
24 that is due and fails to arrange for satisfactory repayment terms, the  
25 commissioner shall impose an interest penalty of one percent per month  
26 of the outstanding balance (~~((for each month that payments are not made~~  
27 ~~in a timely fashion))~~). Interest shall accrue immediately on  
28 overpayments assessed pursuant to RCW 50.20.070 and shall be imposed  
29 when the assessment becomes final. For any other overpayment, interest  
30 shall accrue when the individual has missed two or more of their  
31 monthly payments either partially or in full. The interest penalty  
32 shall be used to fund detection and recovery of overpayment and  
33 collection activities.

34 NEW SECTION. Sec. 14. A new section is added to chapter 50.20 RCW  
35 to read as follows:

36 All receipts from interest assessed against unemployment insurance  
37 claimants shall be deposited in the administrative contingency fund and  
38 shall be used for the purpose of RCW 50.20.190(6).

1       **Sec. 15.** RCW 50.22.010 and 1985 ex.s. c 5 s 10 are each amended to  
2 read as follows:

3       As used in this chapter, unless the context clearly indicates  
4 otherwise:

5       (1) "Extended benefit period" means a period which:

6       (a) Begins with the third week after a week for which there is an  
7 "on" indicator; and

8       (b) Ends with the third week after the first week for which there  
9 is an "off" indicator: PROVIDED, That no extended benefit period shall  
10 last for a period of less than thirteen consecutive weeks, and further  
11 that no extended benefit period may begin by reason of an "on"  
12 indicator before the fourteenth week after the close of a prior  
13 extended benefit period which was in effect with respect to this state.

14       (2) There is an "on" indicator for this state for a week if the  
15 commissioner determines, in accordance with the regulations of the  
16 United States secretary of labor, that for the period consisting of  
17 such week and the immediately preceding twelve weeks((~~7~~)):

18       (a) The rate of insured unemployment ((~~+~~))~~,~~ not seasonally  
19 adjusted(~~(~~+~~)~~ either:

20       (~~(~~+~~))~~,~~ equaled or exceeded one hundred twenty percent of the  
21 average of such rates for the corresponding thirteen-week period ending  
22 in each of the preceding two calendar years and equaled or exceeded  
23 five percent; or~~

24       (b) (~~Equaled or exceeded six percent: PROVIDED, That the six  
25 percent trigger shall apply only until December 31, 1985~~) For benefits  
26 for weeks of unemployment beginning after March 6, 1993:

27       (i) The average rate of total unemployment, seasonally adjusted, as  
28 determined by the United States secretary of labor, for the period  
29 consisting of the most recent three months for which data for all  
30 states are published before the close of the week equals or exceeds six  
31 and one-half percent; and

32       (ii) The average rate of total unemployment in the state,  
33 seasonally adjusted, as determined by the United States secretary of  
34 labor, for the three-month period referred to in (b)(i) of this  
35 subsection, equals or exceeds one hundred ten percent of the average  
36 for either or both of the corresponding three-month periods ending in  
37 the two preceding calendar years.



1       (3) "High unemployment period" means any period of unemployment  
2 beginning after March 6, 1993, during which an extended benefit period  
3 would be in effect if:

4       (a) The average rate of total unemployment, seasonally adjusted, as  
5 determined by the United States secretary of labor, for the period  
6 consisting of the most recent three months for which data for all  
7 states are published before the close of the week equals or exceeds  
8 eight percent; and

9       (b) The average rate of total unemployment in the state, seasonally  
10 adjusted, as determined by the United States secretary of labor, for  
11 the three-month period referred to in (a) of this subsection, equals or  
12 exceeds one hundred ten percent of the average for either or both of  
13 the corresponding three-month periods ending in the two preceding  
14 calendar years.

15       ~~(4) There is an "off" indicator for this state for a week ((if the~~  
16 ~~commissioner determines, in accordance with the regulations of the~~  
17 ~~United States secretary of labor, that for the period consisting of~~  
18 ~~such week and the immediately preceding twelve weeks, the rate of~~  
19 ~~insured unemployment (not seasonally adjusted) was either:~~

20       ~~(a) Less than five percent; or~~

21       ~~(b) Five percent or more but less than six percent and the rate of~~  
22 ~~insured unemployment was less than one hundred twenty percent of the~~  
23 ~~average of the rates for the corresponding thirteen week period ending~~  
24 ~~in each of the two preceding calendar years: PROVIDED, That the six~~  
25 ~~percent trigger shall apply only until December 31, 1985)) only if, for~~  
26 ~~the period consisting of such week and immediately preceding twelve~~  
27 ~~weeks, none of the options specified in subsection (2) or (3) of this~~  
28 ~~section result in an "on" indicator.~~

29       ~~((+4))~~ (5) "Regular benefits" means benefits payable to an  
30 individual under this title or under any state law (including benefits  
31 payable to federal civilian employees and to ex-servicemen pursuant to  
32 5 U.S.C. chapter 85) other than extended benefits or additional  
33 benefits.

34       ~~((+5))~~ (6) "Extended benefits" means benefits payable for weeks of  
35 unemployment beginning in an extended benefit period to an individual  
36 under this title or under any state law (including benefits payable to  
37 federal civilian employees and to ex-servicemen pursuant to 5 U.S.C.  
38 chapter 85) other than regular or additional benefits.

1       (~~(6)~~) (7) "Additional benefits" are benefits totally financed by  
2 the state and payable under this title to exhaustees by reason of  
3 conditions of high unemployment or by reason of other special factors.

4       (~~(7)~~) (8) "Eligibility period" of an individual means the period  
5 consisting of the weeks in his or her benefit year which begin in an  
6 extended benefit period that is in effect in this state and, if his or  
7 her benefit year ends within such extended benefit period, any weeks  
8 thereafter which begin in such period.

9       (~~(8)~~) (9) "Additional benefit eligibility period" of an  
10 individual means the period consisting of the weeks in his or her  
11 benefit year which begin in an additional benefit period that is in  
12 effect and, if his or her benefit year ends within such additional  
13 benefit period, any weeks thereafter which begin in such period.

14       (~~(9)~~) (10) "Exhaustee" means an individual who, with respect to  
15 any week of unemployment in his or her eligibility period:

16       (a) Has received, prior to such week, all of the regular benefits  
17 that were payable to him or her under this title or any other state law  
18 (including dependents' allowances and regular benefits payable to  
19 federal civilian employees and ex-servicemen under 5 U.S.C. chapter 85)  
20 in his or her current benefit year that includes such week; or

21       (b) Has received, prior to such week, all of the regular benefits  
22 that were available to him or her under this title or any other state  
23 law (including dependents' allowances and regular benefits available to  
24 federal civilian employees and ex-servicemen under 5 U.S.C. chapter 85)  
25 in his or her current benefit year that includes such week, after the  
26 cancellation of some or all of his or her wage credits or the total or  
27 partial reduction of his or her rights to regular benefits: PROVIDED,  
28 That, for the purposes of (a) and (b), an individual shall be deemed to  
29 have received in his or her current benefit year all of the regular  
30 benefits that were payable to him or her, or available to him or her,  
31 as the case may be, even though:

32       (i) As a result of a pending appeal with respect to wages or  
33 employment, or both, that were not included in the original monetary  
34 determination with respect to his or her current benefit year, he or  
35 she may subsequently be determined to be entitled to more regular  
36 benefits; or

37       (ii) By reason of the seasonal provisions of another state law, he  
38 or she is not entitled to regular benefits with respect to such week of  
39 unemployment (although he or she may be entitled to regular benefits

1 with respect to future weeks of unemployment in the next season, as the  
2 case may be, in his or her current benefit year), and he or she is  
3 otherwise an exhaustee within the meaning of this section with respect  
4 to his or her right to regular benefits under such state law seasonal  
5 provisions during the season or off season in which that week of  
6 unemployment occurs; or

7 (iii) Having established a benefit year, no regular benefits are  
8 payable to him or her during such year because his or her wage credits  
9 were canceled or his or her right to regular benefits was totally  
10 reduced as the result of the application of a disqualification; or

11 (c) His or her benefit year having ended prior to such week, he or  
12 she has insufficient wages or employment, or both, on the basis of  
13 which he or she could establish in any state a new benefit year that  
14 would include such week, or having established a new benefit year that  
15 includes such week, he or she is precluded from receiving regular  
16 benefits by reason of the provision in RCW 50.04.030 which meets the  
17 requirement of section 3304(a)(7) of the Federal Unemployment Tax Act,  
18 or the similar provision in any other state law; and

19 (d)(i) Has no right for such week to unemployment benefits or  
20 allowances, as the case may be, under the Railroad Unemployment  
21 Insurance Act, the Trade Expansion Act of 1962, and such other federal  
22 laws as are specified in regulations issued by the United States  
23 secretary of labor; and

24 (ii) Has not received and is not seeking for such week unemployment  
25 benefits under the unemployment compensation law of Canada, unless the  
26 appropriate agency finally determines that he or she is not entitled to  
27 unemployment benefits under such law for such week.

28 (~~(10)~~) (11) "State law" means the unemployment insurance law of  
29 any state, approved by the United States secretary of labor under  
30 section 3304 of the internal revenue code of 1954.

31 **Sec. 16.** RCW 50.22.020 and 1981 c 35 s 8 are each amended to read  
32 as follows:

33 When the result would not be inconsistent with the other provisions  
34 of this chapter, the provisions of this title and commissioner's  
35 regulations enacted pursuant thereto, which apply to claims for, or the  
36 payment of, regular benefits, shall apply to claims for, and the  
37 payment of, extended benefits: PROVIDED, That

1 (1) Payment of extended compensation under this chapter shall not  
2 be made to any individual for any week of unemployment in his or her  
3 eligibility period--

4 (a) During which he or she fails to accept any offer of suitable  
5 work (as defined in subsection (3) of this section) or fails to apply  
6 for any suitable work to which he or she was referred by the employment  
7 security department; or

8 (b) During which he or she fails to actively engage in seeking  
9 work.

10 (2) If any individual is ineligible for extended compensation for  
11 any week by reason of a failure described in subsections (1)(a) or  
12 (1)(b) of this section, the individual shall be ineligible to receive  
13 extended compensation for any week which begins during a period which--

14 (a) Begins with the week following the week in which such failure  
15 occurs; and

16 (b) Does not end until such individual has been employed during at  
17 least four weeks which begin after such failure and the total of the  
18 remuneration earned by the individual for being so employed is not less  
19 than the product of four multiplied by the individual's weekly benefit  
20 amount (as determined under RCW 50.20.120) for his or her benefit year.

21 (3) For purposes of this section, the term "suitable work" means,  
22 with respect to any individual, any work which is within such  
23 individual's capabilities and which does not involve conditions  
24 described in RCW 50.20.110: PROVIDED, That if the individual furnishes  
25 evidence satisfactory to the employment security department that such  
26 individual's prospects for obtaining work in his or her customary  
27 occupation within a reasonably short period are good, the determination  
28 of whether any work is suitable work with respect to such individual  
29 shall be made in accordance with RCW 50.20.100.

30 (4) Extended compensation shall not be denied under subsection  
31 (1)(a) of this section to any individual for any week by reason of a  
32 failure to accept an offer of, or apply for, suitable work if:

33 (a) The gross average weekly remuneration payable to such  
34 individual for the position does not exceed the sum of--

35 (i) The individual's weekly benefit amount (as determined under RCW  
36 50.20.120) for his or her benefit year; plus

37 (ii) The amount (if any) of supplemental unemployment compensation  
38 benefits (as defined in section 501(c)(17)(D) of the Internal Revenue

1 Code of 1954, 26 U.S.C. Sec. 501(c)(17)(D)), payable to such individual  
2 for such week;

3 (b) The position was not offered to such individual in writing and  
4 was not listed with the employment security department;

5 (c) Such failure would not result in a denial of compensation under  
6 the provisions of RCW 50.20.080 and 50.20.100 to the extent such  
7 provisions are not inconsistent with the provisions of subsections (3)  
8 and (5) of this section; or

9 (d) The position pays wages less than the higher of--

10 (i) The minimum wage provided by section (6)(a)(1) of the Fair  
11 Labor Standards Act of 1938, without regard to any exemption; or

12 (ii) Any applicable state or local minimum wage.

13 (5) For purposes of this section, an individual shall be treated as  
14 actively engaged in seeking work during any week if:

15 (a) The individual has engaged in a systematic and sustained effort  
16 to obtain work during such week; and

17 (b) The individual provides tangible evidence to the employment  
18 security department that he or she has engaged in such an effort during  
19 such week.

20 (6) The employment security department shall refer applicants for  
21 benefits under this chapter to any suitable work to which subsections  
22 (4)(a) through (4)(d) of this section would not apply.

23 (7) No provisions of this title which terminates a disqualification  
24 for voluntarily leaving employment, being discharged for misconduct, or  
25 refusing suitable employment shall apply for purposes of determining  
26 eligibility for extended compensation unless such termination is based  
27 upon employment subsequent to the date of such disqualification.

28 (8) The provisions of subsections (1) through (7) of this section  
29 shall apply with respect to weeks of unemployment beginning after March  
30 31, 1981. However, the provisions of subsections (1) through (7) of  
31 this section shall not apply to those weeks of unemployment beginning  
32 after March 6, 1993, and before January 1, 1995.

33 **Sec. 17.** RCW 50.22.030 and 1982 1st ex.s. c 18 s 4 are each  
34 amended to read as follows:

35 (1) An individual shall be eligible to receive extended benefits  
36 with respect to any week of unemployment in his or her eligibility  
37 period only if the commissioner finds with respect to such week that:

38 (a) The individual is an "exhaustee" as defined in RCW 50.22.010;

1 (b) He or she has satisfied the requirements of this title for the  
2 receipt of regular benefits that are applicable to individuals claiming  
3 extended benefits, including not being subject to a disqualification  
4 for the receipt of benefits; and

5 (c) He or she has earned wages in the applicable base year of at  
6 least:

7 (i) Forty times his or her weekly benefit amount; or

8 (ii) One and one-half times his or her insured wages in the  
9 calendar quarter of the base period in which the insured wages are the  
10 highest, for weeks of unemployment on or after July 3, 1992.

11 (2) An individual filing an interstate claim in any state under the  
12 interstate benefit payment plan shall not be eligible to receive  
13 extended benefits for any week beyond the first two weeks claimed for  
14 which extended benefits are payable unless an extended benefit period  
15 embracing such week is also in effect in the agent state.

16 **Sec. 18.** RCW 50.22.050 and 1982 1st ex.s. c 18 s 5 are each  
17 amended to read as follows:

18 (1) The total extended benefit amount payable to any eligible  
19 individual with respect to his or her applicable benefit year shall be  
20 the least of the following amounts:

21 (a) Fifty percent of the total amount of regular benefits which  
22 were payable to him or her under this title in his or her applicable  
23 benefit year;

24 (b) Thirteen times his or her weekly benefit amount which was  
25 payable to him or her under this title for a week of total unemployment  
26 in the applicable benefit year; or

27 (c) Thirty-nine times his or her weekly benefit amount which was  
28 payable to him or her under this title for a week of total unemployment  
29 in the applicable benefit year, reduced by the total amount of regular  
30 benefits which were paid (or deemed paid) to him or her under this  
31 title with respect to the benefit year.

32 (2) Notwithstanding any other provision of this chapter, if the  
33 benefit year of any eligible individual ends within an extended benefit  
34 period, the extended benefits which the individual would otherwise be  
35 entitled to receive with respect to weeks of unemployment beginning  
36 after the end of the benefit year and within the extended benefit  
37 period shall be reduced (but not below zero) by the product of the  
38 number of weeks for which the individual received any amount as a trade

1 readjustment allowance within that benefit year, multiplied by the  
2 individual's weekly extended benefit amount.

3 (3) Effective for weeks beginning in a high unemployment period as  
4 defined in RCW 50.22.010(3) the total extended benefit amount payable  
5 to any eligible individual with respect to his or her applicable  
6 benefit year shall be the least of the following amounts:

7 (a) Eighty percent of the total amount of regular benefits that  
8 were payable to him or her under this title in his or her applicable  
9 benefit year;

10 (b) Twenty times his or her weekly benefit amount that was payable  
11 to him or her under this title for a week of total unemployment in the  
12 applicable benefit year; or

13 (c) Forty-six times his or her weekly benefit amount that was  
14 payable to him or her under this title for a week of total unemployment  
15 in the applicable benefit year, reduced by the total amount of regular  
16 benefits which were paid, or deemed paid, to him or her under this  
17 title with respect to the benefit year.

18 **Sec. 19.** RCW 50.29.020 and 1991 c 129 s 1 are each amended to read  
19 as follows:

20 (1) An experience rating account shall be established and  
21 maintained for each employer, except employers as described in RCW  
22 50.44.010 and 50.44.030 who have properly elected to make payments in  
23 lieu of contributions, taxable local government employers as described  
24 in RCW 50.44.035, and those employers who are required to make payments  
25 in lieu of contributions, based on existing records of the employment  
26 security department. Benefits paid to any eligible individuals shall  
27 be charged to the experience rating accounts of each of such  
28 individual's employers during the individual's base year in the same  
29 ratio that the wages paid by each employer to the individual during the  
30 base year bear to the wages paid by all employers to that individual  
31 during that base year, except as otherwise provided in this section.

32 (2) The legislature finds that certain benefit payments, in whole  
33 or in part, should not be charged to the experience rating accounts of  
34 employers except those employers described in RCW 50.44.010 and  
35 50.44.030 who have properly elected to make payments in lieu of  
36 contributions, taxable local government employers described in RCW  
37 50.44.035, and those employers who are required to make payments in  
38 lieu of contributions, as follows:

1 (a) Benefits paid to any individuals later determined to be  
2 ineligible shall not be charged to the experience rating account of any  
3 contribution paying employer.

4 (b) Benefits paid to an individual under the provisions of RCW  
5 50.12.050 shall not be charged to the account of any contribution  
6 paying employer if the wage credits earned in this state by the  
7 individual during his or her base year are less than the minimum amount  
8 necessary to qualify the individual for unemployment benefits.

9 (c) Benefits paid to an individual filing under the provisions of  
10 chapter 50.06 RCW shall not be charged to the experience rating account  
11 of any contribution paying employer.

12 (d) Benefits paid which represent the state's share of benefits  
13 payable under chapter 50.22 RCW shall not be charged to the experience  
14 rating account of any contribution paying employer.

15 (e) In the case of individuals who requalify for benefits under RCW  
16 50.20.050 or 50.20.060, benefits based on wage credits earned prior to  
17 the disqualifying separation shall not be charged to the experience  
18 rating account of the contribution paying employer from whom that  
19 separation took place.

20 ~~(f)((i) Benefits paid to an individual as the result of a~~  
21 ~~determination by the commissioner that no stoppage of work exists,~~  
22 ~~pursuant to RCW 50.20.090, shall not be charged to the experience~~  
23 ~~rating account of any contribution paying employer.~~

24 ~~(ii) Benefits paid to an individual under RCW 50.20.090(1) for~~  
25 ~~weeks of unemployment ending before February 20, 1987, shall not be~~  
26 ~~charged to the experience rating account of any base year employer.~~

27 ~~(g))~~ In the case of individuals identified under RCW 50.20.015,  
28 benefits paid with respect to a calendar quarter, which exceed the  
29 total amount of wages earned in the state of Washington in the higher  
30 of two corresponding calendar quarters included within the individual's  
31 determination period, as defined in RCW 50.20.015, shall not be charged  
32 to the experience rating account of any contribution paying employer.

33 ~~((h))~~ (g) Benefits paid to an individual who does not  
34 successfully complete an approved on-the-job training program under RCW  
35 50.12.240 may not be charged to the experience rating account of the  
36 contribution-paying employer who provided the approved on-the-job  
37 training.

38 (3)(a) Beginning July 1, 1985, a contribution-paying base year  
39 employer, not otherwise eligible for relief of charges for benefits



1 under this section, may receive such relief if the benefit charges  
2 result from payment to an individual who:

3 ~~(i) ((The benefit charges result from payment to an individual~~  
4 ~~who)) Last left the employ of such employer voluntarily for reasons not~~  
5 ~~attributable to the employer((, or was discharged for misconduct~~  
6 ~~connected with his or her work; and));~~

7 ~~(ii) ((The employer requests relief of charges in writing within~~  
8 ~~thirty days following mailing to the last known address of the~~  
9 ~~notification of the initial determination of such a claim, stating the~~  
10 ~~date and reason for the last leaving; and~~

11 ~~(iii) Upon investigation of the separation, the commissioner rules~~  
12 ~~that the relief should be granted.~~

13 ~~(i) An employer who employed a claimant during the claimant's base~~  
14 ~~year, and who continues to employ the claimant, is eligible for relief~~  
15 ~~of benefit charges if relief is requested in writing within thirty days~~  
16 ~~of notification by the department of the claimant's application for~~  
17 ~~initial determination of eligibility. Relief of benefit charges shall~~  
18 ~~cease when the employment relationship with the claimant ends. This~~  
19 ~~subsection shall not apply to shared work employers under chapter 50.60~~  
20 ~~RCW.~~

21 ~~(j) Benefits paid to an individual who does not successfully~~  
22 ~~complete an approved on the job training program under RCW 50.12.240~~  
23 ~~shall not be charged to the experience rating account of the~~  
24 ~~contribution paying employer who provided the approved on the job~~  
25 ~~training.~~

26 ~~(k) Benefits paid resulting from a closure or severe curtailment of~~  
27 ~~operations at the employer's plant, building, work site, or facility~~  
28 ~~due to damage caused by fire, flood, or other natural disaster shall~~  
29 ~~not be charged to the experience rating account of the employer if:~~

30 ~~(i)) Was discharged for misconduct connected with his or her work~~  
31 ~~not a result of inability to meet the minimum job requirements;~~

32 ~~(iii) Is unemployed as a result of closure or severe curtailment of~~  
33 ~~operation at the employer's plant, building, work site, or other~~  
34 ~~facility. This closure must be for reasons directly attributable to a~~  
35 ~~catastrophic occurrence such as fire, flood, or other natural disaster;~~  
36 ~~or~~

37 ~~(iv) Continues to be employed on a regularly scheduled permanent~~  
38 ~~part-time basis by a base year employer and who at some time during the~~  
39 ~~base year was concurrently employed and subsequently separated from at~~

1 least one other base year employer. Benefit charge relief ceases when  
2 the employment relationship between the employer requesting relief and  
3 the claimant is terminated. This subsection does not apply to shared  
4 work employers under chapter 50.60 RCW.

5 (b) The employer (~~(petitions for)~~) requesting relief of charges(~~(+~~  
6 and

7 (~~ii) The commissioner approves granting relief of charges~~) under  
8 this subsection must request relief in writing within thirty days  
9 following mailing to the last known address of the notification of the  
10 valid initial determination of such claim, stating the date and reason  
11 for the separation or the circumstances of continued employment. The  
12 commissioner, upon investigation of the request, shall determine  
13 whether relief should be granted.

14 **Sec. 20.** RCW 50.24.014 and 1987 c 171 s 4 are each amended to read  
15 as follows:

16 A separate and identifiable account to provide for the financing of  
17 special programs to assist the unemployed is established in the  
18 administrative contingency fund. Contributions to this account shall  
19 accrue and become payable by each employer, except employers as  
20 described in RCW 50.44.010 and 50.44.030 who have properly elected to  
21 make payments in lieu of contributions, taxable local government  
22 employers as described in RCW 50.44.035, and those employers who are  
23 required to make payments in lieu of contributions, at (~~(the))~~ a basic  
24 rate of two one-hundredths of one percent. The amount of wages subject  
25 to tax shall be determined under RCW 50.24.010.

26 For the first calendar quarter of 1994 only, this basic two one-  
27 hundredths of one percent shall be increased by one hundredth of one  
28 percent to a total rate of three one-hundredths of one percent. The  
29 proceeds of this incremental one-hundredth of one percent shall be used  
30 solely for the purposes described in section 22 of this act. Any  
31 surplus will be deposited in the unemployment compensation trust fund.

32 Contributions under this section shall become due and be paid by  
33 each employer under rules as the commissioner may prescribe, and shall  
34 not be deducted, in whole or in part, from the remuneration of  
35 individuals in the employ of the employer. Any deduction in violation  
36 of this section is unlawful.

1 In the payment of any contributions under this section, a  
2 fractional part of a cent shall be disregarded unless it amounts to  
3 one-half cent or more, in which case it shall be increased to one cent.

4 If the commissioner determines that federal funding has been  
5 increased to provide financing for the services specified in chapter  
6 50.62 RCW, the commissioner shall direct that collection of  
7 contributions under this section be terminated on the following January  
8 1st.

9 **Sec. 21.** RCW 50.29.025 and 1990 c 245 s 7 are each amended to read  
10 as follows:

11 The contribution rate for each employer shall be determined under  
12 this section.

13 (1) A fund balance ratio shall be determined by dividing the  
14 balance in the unemployment compensation fund as of the June 30th  
15 immediately preceding the rate year by the total remuneration paid by  
16 all employers subject to contributions during the second calendar year  
17 preceding the rate year and reported to the department by the following  
18 March 31st. The division shall be carried to the fourth decimal place  
19 with the remaining fraction, if any, disregarded. The fund balance  
20 ratio shall be expressed as a percentage.

21 (2) The interval of the fund balance ratio, expressed as a  
22 percentage, shall determine which tax schedule in subsection (5) of  
23 this section shall be in effect for assigning tax rates for the rate  
24 year. The intervals for determining the effective tax schedule shall  
25 be:

26	Interval of the	
27	Fund Balance Ratio	Effective
28	Expressed as a Percentage	Tax Schedule
29	<u>3.90 and above</u>	<u>AA</u>
30	3.40 (( <del>and above</del> )) <u>to 3.89</u>	A
31	2.90 to 3.39	B
32	2.40 to 2.89	C
33	1.90 to 2.39	D
34	1.40 to 1.89	E
35	Less than 1.40	F

36 (3) An array shall be prepared, listing all qualified employers in  
37 ascending order of their benefit ratios. The array shall show for each

1 qualified employer: (a) Identification number; (b) benefit ratio; (c)  
 2 taxable payrolls for the four calendar quarters immediately preceding  
 3 the computation date and reported to the department by the cut-off  
 4 date; (d) a cumulative total of taxable payrolls consisting of the  
 5 employer's taxable payroll plus the taxable payrolls of all other  
 6 employers preceding him or her in the array; and (e) the percentage  
 7 equivalent of the cumulative total of taxable payrolls.

8 (4) Each employer in the array shall be assigned to one of twenty  
 9 rate classes according to the percentage intervals of cumulative  
 10 taxable payrolls set forth in subsection (5) of this section:  
 11 PROVIDED, That if an employer's taxable payroll falls within two or  
 12 more rate classes, the employer and any other employer with the same  
 13 benefit ratio shall be assigned to the lowest rate class which includes  
 14 any portion of the employer's taxable payroll.

15 (5) The contribution rate for each employer in the array shall be  
 16 the rate specified in the following table for the rate class to which  
 17 he or she has been assigned, as determined under subsection (4) of this  
 18 section, within the tax schedule which is to be in effect during the  
 19 rate year:

Percent of			Schedule of Contribution Rates for							
Cumulative			Effective Tax Schedule							
Taxable Payrolls			Rate							
From	To	Class	<u>AA</u>	A	B	C	D	E	F	
0.00	5.00	1	<u>0.48</u>	0.48	0.58	0.98	1.48	1.88	2.48	
5.01	10.00	2	<u>0.48</u>	0.48	0.78	1.18	1.68	2.08	2.68	
10.01	15.00	3	<u>0.58</u>	0.58	0.98	1.38	1.78	2.28	2.88	
15.01	20.00	4	<u>0.58</u>	0.78	1.18	1.58	1.98	2.48	3.08	
20.01	25.00	5	<u>0.78</u>	0.98	1.38	1.78	2.18	2.68	3.18	
25.01	30.00	6	<u>0.98</u>	1.18	1.58	1.98	2.38	2.78	3.28	
30.01	35.00	7	<u>1.08</u>	1.38	1.78	2.18	2.58	2.98	3.38	
35.01	40.00	8	<u>1.28</u>	1.58	1.98	2.38	2.78	3.18	3.58	
40.01	45.00	9	<u>1.48</u>	1.78	2.18	2.58	2.98	3.38	3.78	
45.01	50.00	10	<u>1.68</u>	1.98	2.38	2.78	3.18	3.58	3.98	
50.01	55.00	11	<u>1.98</u>	2.28	2.58	2.98	3.38	3.78	4.08	
55.01	60.00	12	<u>2.18</u>	2.48	2.78	3.18	3.58	3.98	4.28	
60.01	65.00	13	<u>2.38</u>	2.68	2.98	3.38	3.78	4.18	4.48	
65.01	70.00	14	<u>2.58</u>	2.88	3.18	3.58	3.98	4.38	4.68	

1	70.01	75.00	15	<u>2.88</u>	3.08	3.38	3.78	4.18	4.58	4.78
2	75.01	80.00	16	<u>3.08</u>	3.28	3.58	3.98	4.38	4.68	4.88
3	80.01	85.00	17	<u>3.28</u>	3.48	3.78	4.18	4.58	4.88	4.98
4	85.01	90.00	18	<u>3.68</u>	3.88	4.18	4.58	4.88	4.98	5.18
5	90.01	95.00	19	<u>4.08</u>	4.28	4.58	4.98	5.08	5.18	5.38
6	95.01	100.00	20	<u>5.40</u>	5.40	5.40	5.40	5.40	5.40	5.40

7 (6) The contribution rate for each employer not qualified to be in  
8 the array shall be as follows:

9 (a) Employers who do not meet the definition of "qualified  
10 employer" by reason of failure to pay contributions when due shall be  
11 assigned the contribution rate of five and (~~four-tenths~~) six-tenths  
12 percent, except employers who have an approved agency-deferred payment  
13 contract by September 30 of the previous rate year. If any employer  
14 with an approved agency-deferred payment contract fails to make any one  
15 of the succeeding deferred payments or fails to submit any succeeding  
16 tax report and payment in a timely manner, the employer's tax rate  
17 shall immediately revert to five and (~~four-tenths~~) six-tenths percent  
18 for the current rate year;

19 (b) The contribution rate for employers exempt as of December 31,  
20 1989, who are newly covered under the section 78, chapter 380, Laws of  
21 1989 amendment to RCW 50.04.150 and not yet qualified to be in the  
22 array shall be 2.5 percent for employers whose standard industrial code  
23 is "013", "016", "017", "018", "019", "021", or "081"; and

24 (c) For all other employers not qualified to be in the array, the  
25 contribution rate shall be a rate equal to the average industry rate as  
26 determined by the commissioner; however, the rate may not be less than  
27 one percent. Assignment of employers by the commissioner to industrial  
28 classification, for purposes of this subsection, shall be in accordance  
29 with established classification practices found in the "Standard  
30 Industrial Classification Manual" issued by the federal office of  
31 management and budget to the third digit provided in the Standard  
32 Industrial Classification code.

33 NEW SECTION. **Sec. 22.** (1) There is hereby created a joint task  
34 force on unemployment insurance composed of the following members:

35 (a) Four members of the senate labor and commerce committee, two  
36 from each of the major caucuses, to be appointed by the president of  
37 the senate;

1 (b) Four members of the house of representatives commerce and labor  
2 committee, two from each of the major caucuses, to be appointed by the  
3 speaker of the house of representatives; and

4 (c) Up to eight members appointed jointly by the president of the  
5 senate and the speaker of the house of representatives representing  
6 business and labor in equal numbers. The business representatives  
7 shall be selected from nominations submitted by state-wide business  
8 organizations representing a cross-section of industries. The labor  
9 representatives shall be selected from nominations submitted by state-  
10 wide labor organizations representing a cross-section of industries.

11 (2) The employment security department unemployment insurance  
12 advisory committee shall act as an advisory body to the task force.

13 (3) The senate committee services and the office of program  
14 research shall provide the staff support as mutually agreed by the  
15 cochairs of the task force. The task force shall designate the  
16 cochairs.

17 (4) The members of the task force shall be reimbursed for travel  
18 expenses as provided in RCW 43.03.050 and 43.03.060.

19 (5) The task force shall study the following issues:

20 (a) Financing and administration of unemployment insurance;

21 (b) Social costs;

22 (c) Administrative costs;

23 (d) Experience rating systems;

24 (e) Tax rates;

25 (f) Trust fund adequacy;

26 (g) Accountability and administrative funding of employment  
27 security department programs; and

28 (h) Any other issues deemed appropriate by the task force.

29 (6) The task force shall report its findings to the legislature by  
30 December 31, 1993.

31 NEW SECTION. Sec. 23. (1) Sections 1 and 8 through 11 of this act  
32 are necessary for the immediate preservation of the public peace,  
33 health, or safety, or support of the state government and its existing  
34 public institutions, and shall take effect July 3, 1993, and shall be  
35 effective as to separations occurring after July 3, 1993.

36 (2) Section 2 of this act is necessary for the immediate  
37 preservation of the public peace, health, or safety, or support of the  
38 state government and its existing public institutions, and shall take

1 effect July 3, 1993, and is effective as to weeks claimed after July 3,  
2 1993.

3 (3) Section 12 of this act is necessary for the immediate  
4 preservation of the public peace, health, or safety, or support of the  
5 state government and its existing public institutions, and shall take  
6 effect immediately, and is effective as to new claims filed after July  
7 3, 1993.

8 (4) Section 19 of this act is necessary for the immediate  
9 preservation of the public peace, health, or safety, or support of the  
10 state government and its existing public institutions, and shall take  
11 effect July 3, 1993, and is effective as to requests for relief of  
12 charges received after July 3, 1993.

13 (5) Sections 15, 17, and 18 of this act shall be effective as to  
14 new extended benefit claims filed after October 2, 1993.

15 (6) Sections 13 and 14 of this act shall take effect January 1,  
16 1994.

17 (7) Sections 3, 4, and 5 of this act shall take effect January 2,  
18 1994.

19 (8) Sections 20 and 21 of this act shall take effect for tax year  
20 1994.

21 (9) Section 16 of this act is necessary for the immediate  
22 preservation of the public peace, health, or safety, or support of the  
23 state government and its existing public institutions, and shall take  
24 effect immediately.

25 NEW SECTION. **Sec. 24.** If any part of this act is found to be in  
26 conflict with federal requirements that are a prescribed condition to  
27 the allocation of federal funds to the state or the eligibility of  
28 employers in this state for federal unemployment tax credits, the  
29 conflicting part of this act is hereby declared to be inoperative  
30 solely to the extent of the conflict, and such finding or determination  
31 shall not affect the operation of the remainder of this act. The rules  
32 under this act shall meet federal requirements that are a necessary  
33 condition to the receipt of federal funds by the state or the granting  
34 of federal unemployment tax credits to employers in this state.

35 NEW SECTION. **Sec. 25.** If any provision of this act or its  
36 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other  
2 persons or circumstances is not affected.

Passed the Senate April 21, 1993.

Passed the House April 14, 1993.

Approved by the Governor May 17, 1993.

Filed in Office of Secretary of State May 17, 1993.