

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**

ENGROSSED SUBSTITUTE SENATE BILL 5702

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 ((and above)) <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.