

SENATE BILL REPORT

SB 6237

As Passed Senate, February 12, 2000

Title: An act relating to processing fees deducted from earnings withheld due to child support.

Brief Description: Modifying who may deduct processing fees for certain payroll deductions.

Sponsors: Senator Fairley; by request of Employment Security Department.

Brief History:

Committee Activity: Labor & Workforce Development: 1/11/2000, 1/27/2000 [DP].
Passed Senate, 2/12/2000, 42-0.

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Hochstatter, Kline, Oke and Wojahn.

Staff: Joanne Conrad (786-7472)

Background: Washington State law allows for the collection and interception of child support by withholding of wages or unemployment insurance benefits. When payroll deduction or benefit intercept is used, the employer or the Employment Security Department is permitted, but not required, to also deduct a processing fee.

The U.S. Department of Labor has found Washington State to be potentially out of compliance with federal unemployment insurance law, which does not permit such a fee. In order to conform to federal requirements, the Employment Security Department is seeking to clarify that the department will not deduct a processing fee from unemployment insurance benefits.

Summary of Bill: The Employment Security Department is not permitted to deduct a processing fee when intercepting and deducting child support from an individual's unemployment insurance benefits.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: Technical correction is needed to clarify the statute for the federal government.

Testimony Against: None.

Testified: Dale Ziegler, Employment Security Department.