

1 **HB 2901** - H AMD TO H AMD (H4760.7) **Failed 3-11-02 0521**

2 By Representative ____

3 Strike all text beginning on page 1, line 7, through page 25, line
4 14, and insert the following:

5 "Sec. 1. RCW 50.22.140 and 2000 2nd sp.s. c 1 s 916 are each
6 amended to read as follows:

7 (1) The employment security department is authorized to pay
8 training benefits under RCW 50.22.150, but may not obligate
9 expenditures beyond the limits specified in this section or as
10 otherwise set by the legislature. For the fiscal year ending June 30,
11 2000, the commissioner may not obligate more than twenty million
12 dollars for training benefits. For the two fiscal years ending June
13 30, 2002, the commissioner may not obligate more than sixty million
14 dollars for training benefits. Any funds not obligated in one fiscal
15 year may be carried forward to the next fiscal year. For each fiscal
16 year beginning after June 30, 2002, the commissioner may not obligate
17 more than twenty million dollars annually in addition to any funds
18 carried (~~over~~) forward from previous fiscal years. The department
19 shall develop a process to ensure that expenditures do not exceed
20 available funds and to prioritize access to funds when again available.

21 (2) After June 30, 2002, in addition to the amounts that may be
22 obligated under subsection (1) of this section, the commissioner may
23 obligate up to thirty-four million dollars for training benefits under
24 RCW 50.22.150 for individuals in the aerospace industry assigned the
25 standard industrial classification code "372" or the North American
26 industry classification system code "336411" whose claims are filed
27 before January 5, 2003. The funds provided in this subsection must be
28 fully obligated for training benefits for these individuals before the
29 funds provided in subsection (1) of this section may be obligated for
30 training benefits for these individuals. Any amount of the funds
31 specified in this subsection that is not obligated as permitted may not
32 be carried forward to any future period.

33 **Sec. 2.** RCW 50.22.150 and 2000 c 2 s 8 are each amended to read
34 as follows:

1 (1) Subject to availability of funds, training benefits are
2 available for an individual who is eligible for or has exhausted
3 entitlement to unemployment compensation benefits and who:

4 (a) Is a dislocated worker as defined in RCW 50.04.075;

5 (b) Except as provided under subsection (2) of this section, has
6 demonstrated, through a work history, sufficient tenure in an
7 occupation or in work with a particular skill set. This screening will
8 take place during the assessment process;

9 (c) Is, after assessment of demand for the individual's occupation
10 or skills in the individual's labor market, determined to need job-
11 related training to find suitable employment in his or her labor
12 market. Beginning July 1, 2001, the assessment of demand for the
13 individual's occupation or skill sets must be substantially based on
14 declining occupation or skill sets identified in local labor market
15 areas by the local work force development councils, in cooperation with
16 the employment security department and its labor market information
17 division, under subsection ((+9)) (10) of this section;

18 (d) Develops an individual training program that is submitted to
19 the commissioner for approval within sixty days after the individual is
20 notified by the employment security department of the requirements of
21 this section;

22 (e) Enters the approved training program by ninety days after the
23 date of the notification, unless the employment security department
24 determines that the training is not available during the ninety-day
25 period, in which case the individual enters training as soon as it is
26 available; and

27 (f) Is enrolled in training approved under this section on a full-
28 time basis as determined by the educational institution, and is making
29 satisfactory progress in the training as certified by the educational
30 institution.

31 (2) Until June 30, 2002, the following individuals who meet the
32 requirements of subsection (1) of this section may, without regard to
33 the tenure requirements under subsection (1)(b) of this section,
34 receive training benefits as provided in this section:

35 (a) An exhaustee who has base year employment in the aerospace
36 industry assigned the standard industrial classification code "372" or
37 the North American industry classification system code "336411";

38 (b) An exhaustee who has base year employment in the forest
39 products industry, determined by the department, but including the

1 industries assigned the major group standard industrial classification
2 codes "24" and "26" or any equivalent codes in the North American
3 industry classification system code, and the industries involved in the
4 harvesting and management of logs, transportation of logs and wood
5 products, processing of wood products, and the manufacturing and
6 distribution of wood processing and logging equipment; or

7 (c) An exhaustee who has base year employment in the fishing
8 industry assigned the standard industrial classification code "0912" or
9 any equivalent codes in the North American industry classification
10 system code.

11 (3) An individual is not eligible for training benefits under this
12 section if he or she:

13 (a) Is a standby claimant who expects recall to his or her regular
14 employer;

15 (b) Has a definite recall date that is within six months of the
16 date he or she is laid off; or

17 (c) Is unemployed due to a regular seasonal layoff which
18 demonstrates a pattern of unemployment consistent with the provisions
19 of RCW 50.20.015. Regular seasonal layoff does not include layoff due
20 to permanent structural downsizing or structural changes in the
21 individual's labor market.

22 (4) The definitions in this subsection apply throughout this
23 section unless the context clearly requires otherwise.

24 (a) "Educational institution" means an institution of higher
25 education as defined in RCW 28B.10.016 or an educational institution as
26 defined in RCW 28C.04.410, including equivalent educational
27 institutions in other states.

28 (b) "Sufficient tenure" means earning a plurality of wages in a
29 particular occupation or using a particular skill set during the base
30 year and at least two of the four twelve-month periods immediately
31 preceding the base year.

32 (c) "Training benefits" means additional benefits paid under this
33 section.

34 (d) "Training program" means:

35 (i) An education program determined to be necessary as a
36 prerequisite to vocational training after counseling at the educational
37 institution in which the individual enrolls under his or her approved
38 training program; or

39 (ii) A vocational training program at an educational institution:

1 (A) That is targeted to training for a high demand occupation.
2 Beginning July 1, 2001, the assessment of high demand occupations
3 authorized for training under this section must be substantially based
4 on labor market and employment information developed by local work
5 force development councils, in cooperation with the employment security
6 department and its labor market information division, under subsection
7 ~~((+9))~~ (10) of this section;

8 (B) That is likely to enhance the individual's marketable skills
9 and earning power; and

10 (C) That meets the criteria for performance developed by the work
11 force training and education coordinating board for the purpose of
12 determining those training programs eligible for funding under Title I
13 of P.L. 105-220.

14 "Training program" does not include any course of education
15 primarily intended to meet the requirements of a baccalaureate or
16 higher degree, unless the training meets specific requirements for
17 certification, licensing, or for specific skills necessary for the
18 occupation.

19 (5) Benefits shall be paid as follows:

20 (a)(i) Except as provided in (a)(iii) of this subsection, for
21 exhaustees who are eligible under subsection (1) of this section, the
22 total training benefit amount shall be fifty-two times the individual's
23 weekly benefit amount, reduced by the total amount of regular benefits
24 and extended benefits paid, or deemed paid, with respect to the benefit
25 year; or

26 (ii) For exhaustees who are eligible under subsection (2) of this
27 section, for claims filed before June 30, 2002, the total training
28 benefit amount shall be seventy-four times the individual's weekly
29 benefit amount, reduced by the total amount of regular benefits and
30 extended benefits paid, or deemed paid, with respect to the benefit
31 year. ((Beginning with new claims filed after June 30, 2002, for
32 exhaustees eligible under subsection (2) of this section, the total
33 training benefit amount shall be fifty two times the individual's
34 weekly benefit amount, reduced by the total amount of regular benefits
35 and extended benefits paid, or deemed paid, with respect to the benefit
36 year))i or

37 (iii) For exhaustees eligible under subsection (1) of this section
38 from industries listed under subsection (2)(a) of this section, for
39 claims filed on or after June 30, 2002, but before January 5, 2003, the

1 total training benefit amount shall be seventy-four times the
2 individual's weekly benefit amount, reduced by the total amount of
3 regular benefits and extended benefits paid, or deemed paid, with
4 respect to the benefit year.

5 (b) The weekly benefit amount shall be the same as the regular
6 weekly amount payable during the applicable benefit year and shall be
7 paid under the same terms and conditions as regular benefits. The
8 training benefits shall be paid before any extended benefits but not
9 before any similar federally funded program.

10 (c) Training benefits are not payable for weeks more than two
11 years beyond the end of the benefit year of the regular claim.

12 (6) The requirement under RCW 50.22.010(10) relating to exhausting
13 regular benefits does not apply to an individual otherwise eligible for
14 training benefits under this section when the individual's benefit year
15 ends before his or her training benefits are exhausted and the
16 individual is eligible for a new benefit year. These individuals will
17 have the option of remaining on the original claim or filing a new
18 claim.

19 (7)(a) Except as provided in (b) of this subsection, individuals
20 who receive training benefits under this section or under any previous
21 additional benefits program for training are not eligible for training
22 benefits under this section for five years from the last receipt of
23 training benefits under this section or under any previous additional
24 benefits program for training.

25 (b) With respect to claims that are filed before January 5, 2003,
26 an individual in the aerospace industry assigned the standard
27 industrial code "372" or the North American industry classification
28 system code "336411" who received training benefits under this section,
29 and who had been making satisfactory progress in a training program but
30 did not complete the program, is eligible, without regard to the five-
31 year limitation of this section and without regard to the requirement
32 of subsection (1)(b) of this section, if applicable, to receive
33 training benefits under this section in order to complete that training
34 program. The total training benefit amount that applies to the
35 individual is seventy-four times the individual's weekly benefit
36 amount, reduced by the total amount of regular benefits paid, or deemed
37 paid, with respect to the benefit year in which the training program
38 resumed and, if applicable, reduced by the amount of training benefits

1 paid, or deemed paid, with respect to the benefit year in which the
2 training program commenced.

3 (8) An individual eligible to receive a trade readjustment
4 allowance under chapter 2 of Title II of the Trade Act of 1974, as
5 amended, shall not be eligible to receive benefits under this section
6 for each week the individual receives such trade readjustment
7 allowance. An individual eligible to receive emergency unemployment
8 compensation, so called, under any federal law, shall not be eligible
9 to receive benefits under this section for each week the individual
10 receives such compensation.

11 (9) All base year employers are interested parties to the approval
12 of training and the granting of training benefits.

13 ~~((+9+))~~ (10) By July 1, 2001, each local work force development
14 council, in cooperation with the employment security department and its
15 labor market information division, must identify occupations and skill
16 sets that are declining and occupations and skill sets that are in high
17 demand. For the purposes of RCW 50.22.130 through 50.22.150 and
18 section 9, chapter 2, Laws of 2000, "high demand" means demand for
19 employment that exceeds the supply of qualified workers for occupations
20 or skill sets in a labor market area. Local work force development
21 councils must use state and locally developed labor market information.
22 Thereafter, each local work force development council shall update this
23 information annually or more frequently if needed.

24 ~~((+10+))~~ (11) The commissioner shall adopt rules as necessary to
25 implement this section.

26 **Sec. 3.** RCW 50.29.020 and 2000 c 2 s 3 are each amended to read
27 as follows:

28 (1) An experience rating account shall be established and
29 maintained for each employer, except employers as described in RCW
30 50.44.010 and 50.44.030 who have properly elected to make payments in
31 lieu of contributions, taxable local government employers as described
32 in RCW 50.44.035, and those employers who are required to make payments
33 in lieu of contributions, based on existing records of the employment
34 security department. Benefits paid to any eligible individuals shall
35 be charged to the experience rating accounts of each of such
36 individual's employers during the individual's base year in the same
37 ratio that the wages paid by each employer to the individual during the

1 base year bear to the wages paid by all employers to that individual
2 during that base year, except as otherwise provided in this section.

3 (2) The legislature finds that certain benefit payments, in whole
4 or in part, should not be charged to the experience rating accounts of
5 employers except those employers described in RCW 50.44.010 and
6 50.44.030 who have properly elected to make payments in lieu of
7 contributions, taxable local government employers described in RCW
8 50.44.035, and those employers who are required to make payments in
9 lieu of contributions, as follows:

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

13 (b) Benefits paid to an individual filing under the provisions of
14 chapter 50.06 RCW shall not be charged to the experience rating account
15 of any contribution paying employer only if:

16 (i) The individual files under RCW 50.06.020(1) after receiving
17 crime victims' compensation for a disability resulting from a nonwork-
18 related occurrence; or

19 (ii) The individual files under RCW 50.06.020(2).

20 (c) Benefits paid which represent the state's share of benefits
21 payable as extended benefits defined under RCW 50.22.010(6) shall not
22 be charged to the experience rating account of any contribution paying
23 employer.

24 (d) In the case of individuals who requalify for benefits under
25 RCW 50.20.050 or 50.20.060, benefits based on wage credits earned prior
26 to the disqualifying separation shall not be charged to the experience
27 rating account of the contribution paying employer from whom that
28 separation took place.

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

35 ~~((f) Benefits paid under RCW 50.22.150 shall not be charged to~~
36 ~~the experience rating account of any contribution paying employer.))~~

37 (3)(a) A contribution-paying base year employer, not otherwise
38 eligible for relief of charges for benefits under this section, may

1 receive such relief if the benefit charges result from payment to an
2 individual who:

3 (i) Last left the employ of such employer voluntarily for reasons
4 not attributable to the employer;

5 (ii) Was discharged for misconduct connected with his or her work
6 not a result of inability to meet the minimum job requirements;

7 (iii) Is unemployed as a result of closure or severe curtailment
8 of operation at the employer's plant, building, work site, or other
9 facility. This closure must be for reasons directly attributable to a
10 catastrophic occurrence such as fire, flood, or other natural disaster;
11 or

12 (iv) Continues to be employed on a regularly scheduled permanent
13 part-time basis by a base year employer and who at some time during the
14 base year was concurrently employed and subsequently separated from at
15 least one other base year employer. Benefit charge relief ceases when
16 the employment relationship between the employer requesting relief and
17 the claimant is terminated. This subsection does not apply to shared
18 work employers under chapter 50.60 RCW.

19 (b) The employer requesting relief of charges under this
20 subsection must request relief in writing within thirty days following
21 mailing to the last known address of the notification of the valid
22 initial determination of such claim, stating the date and reason for
23 the separation or the circumstances of continued employment. The
24 commissioner, upon investigation of the request, shall determine
25 whether relief should be granted.

26 NEW SECTION. **Sec. 4.** If any part of this act is found to be in
27 conflict with federal requirements that are a prescribed condition to
28 the allocation of federal funds to the state or the eligibility of
29 employers in this state for federal unemployment tax credits, the
30 conflicting part of this act is inoperative solely to the extent of the
31 conflict, and the finding or determination does not affect the
32 operation of the remainder of this act. Rules adopted under this act
33 must meet federal requirements that are a necessary condition to the
34 receipt of federal funds by the state or the granting of federal
35 unemployment tax credits to employers in this state.

36 NEW SECTION. **Sec. 5.** If any provision of this act or its
37 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.

3 NEW SECTION. **Sec. 6.** Section 2 of this act is necessary for the
4 immediate preservation of the public peace, health, or safety, or
5 support of the state government and its existing public institutions,
6 and takes effect immediately.

7 NEW SECTION. **Sec. 7.** Section 3 of this act applies to benefits
8 charged to the experience rating accounts of employers for claims that
9 have an effective date on or after July 7, 2002."

10 Correct the title.

EFFECT: Deletes all provisions relating to unemployment insurance
benefits and taxes except for provisions that:

∅

Make an additional \$34 million available to be obligated for
training benefits for certain aerospace workers, and allow them to
receive up to 74 weeks of benefits.

∅ Allow certain aerospace workers who previously received
training benefits to receive limited training benefits to
complete their training programs.

∅ Make individuals who are eligible to receive trade
readjustment allowances under the federal Trade Act
ineligible to receive training benefits.

∅ Require that training benefits be charged to employers'
experience rating accounts.