4 ADOPTED 03/13/02

- 5 On page 24, after line 33, insert the following:
- 6 "NEW SECTION. Sec. 14. (1) There is hereby created a joint task 7 force on unemployment insurance, composed of the following members:
- 8 (a) Four members of the senate labor, commerce and financial 9 institutions committee, two from each of the major caucuses, to be 10 appointed by the president of the senate;
- 11 (b) Four members of the house of representatives commerce and labor 12 committee, two from each of the major caucuses, to be appointed by the 13 speaker of the house of representatives;
- 14 (c) At least one legislative member from each house of the 15 legislature shall represent a district east of the Cascade mountains; 16 and
- 17 (d) Up to eight members appointed jointly by the president of the senate and the speaker of the house of representatives, representing 18 19 business and labor in equal numbers. The business representatives 20 shall be selected from nominations submitted by statewide business organizations, representing a cross-section of industries. 21 representatives shall be selected from nominations submitted by 22 23 statewide labor organizations representing a cross-section 24 Business and labor members shall include at least one industries. 25 person representing each of the following industries or economic 26 sectors: Aerospace, construction, agriculture, small business, information technology, and retail. 27
- 28 (2) The employment security department unemployment insurance 29 advisory committee shall provide administrative, technical, and 30 clerical assistance to the joint task force on unemployment insurance.
- 31 (3) The senate committee services and the office of program 32 research shall provide the staff support as mutually agreed by the 33 cochairs of the joint task force on unemployment insurance. The task 34 force shall designate the cochairs.
- 35 (4) The members of the joint task force on unemployment insurance 36 shall not be compensated but the legislative members may be reimbursed

- 1 for travel expenses as provided in RCW 43.03.050 and 43.03.060. The
- 2 task force shall minimize travel costs, and shall meet only in Olympia
- 3 or Lacey, Washington. Other meetings and conferences that may be
- 4 deemed necessary shall be held by teleconference or written submittal,
- 5 which may be via e-mail.
- 6 (5) The joint task force on unemployment insurance shall appoint a
- 7 technical advisory committee to assist in the development of
- 8 legislative proposals and recommendations. Representatives of small
- 9 business, construction industry, aerospace, information technology,
- 10 agriculture, and retail shall be included on the technical advisory
- 11 committee, on an ad hoc basis. Business and labor, and rural and urban
- 12 interests shall all be represented.
- 13 (6) The joint task force on unemployment insurance shall study the
- 14 following issues:
- 15 (a) Tax equity proposals, including tax rates and distribution of
- 16 tax effects;
- 17 (b) Social costs;
- 18 (c) Improvement in administrative costs and efficiencies;
- 19 (d) Experience rating systems;
- 20 (e) Effectiveness of the implementation of this act in achieving
- 21 equity;
- 22 (f) Trust fund adequacy, including examination of establishment of
- 23 an earmarked state trust fund managed by the Washington state
- 24 investment board;
- 25 (g) The effect of this act upon business insolvency rates in
- 26 Washington state;
- 27 (h) Ways to reduce any inequitable effects of noncharged benefits
- 28 caused by statutory individual benefits on the employer unemployment
- 29 insurance burden. For purposes of this section, "individual benefits"
- 30 means benefits paid to individuals who are considered to have left work
- 31 voluntarily for good cause under RCW 50.20.050(2);
- 32 (i) Benefit structure and costs, including the improved direction
- 33 of benefits to those in need;
- 34 (j) Analysis to improve understanding of the high rate of employer
- 35 turnover in Washington state; and
- 36 (k) Any other issues deemed appropriate by the task force.
- 37 (7) The joint task force on unemployment insurance shall report its
- 38 findings and make recommendations to the legislature by December 31,
- 39 2003. In the event that the task force is divided regarding an issue

- 1 that is subject to a recommendation, the task force, with the
- 2 assistance of the technical advisory committee, will articulate and
- 3 submit more than one proposal or option for legislative consideration."
- 4 Renumber the remaining sections consecutively and correct any
- 5 internal references accordingly.

<u>EFFECT:</u> Adds a Joint Task Force on Unemployment Insurance, modeled upon the Building Code Council, and including Technical Advisory Committees composed of affected business and labor sectors, to study, make recommendations, and report to the legislature by December 31, 2003.

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