

HOUSE BILL REPORT

HB 1248

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to allowing victims of domestic violence or stalking to receive unemployment insurance benefits.

Brief Description: Providing unemployment insurance benefits for victims of domestic violence or stalking.

Sponsors: Representatives Kessler, Hankins, Conway, Ballasiotes, Ogden, Cody, Woods, Edmonds, O'Brien, Keiser, Mitchell, Darneille, Santos, Kenney, Linville, Tokuda, Ruderman, Rockefeller, Hurst, Van Luven, Lovick, McIntire, Schual-Berke, Poulsen, Kagi, Wood and Haigh.

Brief History:

Committee Activity:

Commerce & Labor: 2/6/02, 2/7/02 [DP].

Brief Summary of Bill

- Allows an individual whose separation from employment was necessary because of domestic violence or stalking to receive unemployment benefits.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 4 members: Representatives Conway, Chair; Wood, Vice Chair; Kenney and Lysen.

Minority Report: Do not pass. Signed by 2 members: Representatives Clements, Ranking Minority Member; and Chandler.

Staff: Jill Reinmuth (786-7134); Chris Cordes (786-7103).

Background:

Under the Federal Unemployment Tax Act (FUTA) and state unemployment compensation law, an individual may receive benefits so long as he or she meets certain initial and continuing eligibility requirements. Initial eligibility requirements include the

conditions of the individual's separation from employment. If the individual's separation was voluntary, the individual is disqualified for receiving benefits. However, an individual who leaves work for "good cause" may collect benefits so long as he or she meets other eligibility requirements. Continuing eligibility requirements include being able and available for work, actively searching for a new job, and not refusing an offer of suitable work. An individual who has received five or more weeks of benefits must provide evidence of seeking work.

Unemployment insurance laws in several other states and rules in one other state explicitly permit an individual who leaves work for certain domestic circumstances to receive benefits. These laws provide that an individual who separates from employment for specified domestic circumstances either has quit for "good cause" or is "not disqualified" for benefits. These laws do not modify other initial and continuing eligibility requirements.

Summary of Bill:

Initial and continuing eligibility requirements for unemployment benefits are modified for an individual whose separation from employment was necessary to protect the individual or his or her immediate family members from domestic violence or stalking. In these circumstances:

- an individual is considered to have left work for "good cause;"
- the evaluation of the suitability of work must consider the individual's need to address physical, psychological, legal, and other effects of domestic violence or stalking; and
- the individual is not required to provide evidence of seeking work for each week beyond the fifth week in which a claim for benefits is filed.

Benefits paid to the individual are not charged to the employer's experience rating account.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The purpose of this bill is to allow people who have been victims of domestic violence or are being stalked to voluntarily quit work and receive unemployment benefits. The purpose of the unemployment fund is to replace lost wages and facilitate

re-employment. Both of those purposes are furthered by this bill. Victims of domestic violence face a significant risk of being fired because the employer worries about disruption or liability or because the victim's work performance declines due to stress and distraction. This bill will facilitate employment because a worker may quit instead of being fired. Workers who have been fired generally have longer spells of unemployment than workers who quit voluntarily. A typical example is a woman who was raped and then stalked at work by the man who raped her. She decided to quit her job, but was then ineligible for unemployment. People can receive benefits, however, if the voluntary quit is for good cause and the employer and the employee agree that the reason is valid. Examples of good cause quits are already in the law. There is no better good cause for quitting than domestic violence. Workers who have this unique event in their life have a huge responsibility to themselves and their family. This bill also benefits the employer because violence could be brought into the workplace. There has been concern about people abusing unemployment benefits, but when people are victims of domestic violence or stalking they don't think about taking advantage of social programs. The funding mechanism has been a problem in the past because of the socialized cost. However, 17 other states have enacted this legislation and the cost has been almost de minimis.

Testimony Against: There is a concern about the funding source. For the last two years alternative funding sources have been sought, but ideas have been rejected by the proponents of this legislation. No one disagrees that these problems are real and carry into the workplace, but they are also social problems and they need to be addressed at a broader level. Washington already has one of the highest payroll taxes for unemployment insurance in the country and the highest level of benefits. There are complicated socialized cost issues and this would exacerbate those problems. Until some of the current challenges in the unemployment insurance system have been fixed, the unemployment insurance trust fund is not the appropriate system to tap. If this bill is enacted, it would be a disservice to domestic violence victims, because there are other needs surrounding that issue that this bill would not address. This bill is good in concept, but it is unnecessary. Employees who necessarily quit their job for domestic violence or stalking reasons are already voluntarily quitting for good cause and are therefore already eligible for unemployment benefits.

Testified: (In support) Representative Kessler; Barbara Kitchens; Pamela Crone, Northwest Women's Law Center; Debbie Moranville; Christi Hurt, Washington Coalition of Sexual Assault Programs; Jeff Johnson, Washington State Labor Council; and Rebecca Smith, National Employment Law Project.

(Opposed) Amber Balch, Association of Washington Business; Gary Smith, Independent Business Association; and Dale Tuvey, United Claims Management.