

SENATE BILL REPORT

SB 6735

As Reported By Senate Committee On:
Labor, Commerce & Financial Institutions, February 5, 2002

Title: An act relating to direct deposit of unemployment compensation benefits.

Brief Description: Providing for direct deposit of unemployment compensation benefits.

Sponsors: Senators Rasmussen, Prentice, Benton, Keiser, Hochstatter, Honeyford, Winsley, Gardner and Regala.

Brief History:

Committee Activity: Labor, Commerce & Financial Institutions: 2/5/02 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 6735 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Fairley, Franklin, Gardner, Hochstatter, Honeyford, Rasmussen, Regala, West and Winsley.

Staff: Joanne Conrad (786-7472)

Background: The Employment Security Department (ESD) is responsible for the payment of unemployment insurance benefits in Washington State. Currently, these benefits are paid by warrant, and mailed to recipients. ESD has studied allowing the payment of benefits by direct deposit, at the request of the individual recipient. Direct deposit is done electronically, and eliminates problems with mail delivery, reducing the chance of lost or stolen payments. In addition, domestic violence victims, persons with disabilities and others may prefer the convenience of direct deposit.

Summary of Substitute Bill: The Employment Security Department allows individuals receiving unemployment benefits to elect to receive the benefits by direct deposit to the recipient's account in a financial institution.

Substitute Bill Compared to Original Bill: Implementation is extended to December. The process for sending payments to a financial institution is simplified.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.