

VETO MESSAGE ON HB 2901

March 26, 2002

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington
Ladies and Gentlemen:

I am returning herewith, without my approval as to section 14, Engrossed House Bill No. 2901 entitled:

"AN ACT Relating to unemployment insurance;"

Engrossed House Bill No. 2901 makes substantive changes to the unemployment insurance (UI) tax system that will be phased in over the next several years. Many of the reforms are based on a 1998 study conducted by the Employment Security Department.

Section 14 of the bill would have created a 16-member task force comprised of legislators, business and labor representatives to further study the UI system, and issue a report by December 31, 2003. Topics for the study included tax equity proposals, benefit structure and costs, experience rating, and any other issues deemed appropriate by the task force.

The task force would have been asked to report on issues covered by EHB 2901, prior to the full implementation of the bill, and before the full effectiveness of the act could be properly measured.

For these reasons, I have vetoed section 14 of Engrossed House Bill No. 2901.

With the exception of section 14, Engrossed House Bill No. 2901 is approved.

Respectfully submitted,
Gary Locke
Governor