

FINAL BILL REPORT

HB 1338

C 83 L 09

Synopsis as Enacted

Brief Description: Qualifying for good cause for late filing of reports, contributions, penalties, or interest.

Sponsors: Representatives Conway, Condotta, Wood, Armstrong, Hunt, Green, Williams, Crouse, Moeller, Chandler, Chase, Simpson and Kelley; by request of Employment Security Department.

House Committee on Commerce & Labor
Senate Committee on Labor, Commerce & Consumer Protection

Background:

Most employment in the state is covered for unemployment insurance. Most covered employers are required to pay contributions (taxes) on a percentage of their taxable payroll. (There are some employers who reimburse the Employment Security Department for benefits paid to their former workers.)

For qualified employers, contribution rates are determined by the combined rate assigned to the employer based on layoff experience, social costs, and any solvency surcharge. Contribution rates vary, but may not exceed 6.5 percent plus any solvency surcharge. For employers that are not qualified because of delinquent payments of contributions, interest, or penalties, contribution rates are higher.

For purposes of determining whether employers are qualified or delinquent, the Employment Security Department is:

- authorized to disregard delinquent payments if the amount is less than \$100 or less than 0.5 of 1 percent of the employer's yearly tax; and
- authorized to disregard delinquent reports and payments from certain domestic services if an otherwise qualified employer acted in good faith and forfeiture of qualification would be inequitable.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

For purposes of determining whether employers are qualified or delinquent, the Employment Security Department is:

- required to disregard delinquent payments if the amount is less than \$100 or less than 0.5 of 1 percent of the employer's yearly tax; and
- authorized to disregard delinquent reports and payments from any services if an otherwise qualified employer acted in good faith and forfeiture of qualification would be inequitable.

Votes on Final Passage:

House	96	1
Senate	42	0

Effective: July 26, 2009