
SUBSTITUTE SENATE BILL 5203

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Trade, Technology & Economic Development
(originally sponsored by Senators Skratek, Gaspard and Sheldon)

Read first time 03/03/93.

1 AN ACT Relating to employment and training; amending RCW 50.16.010,
2 50.16.010, 50.16.020, 50.16.020, 50.29.025, and 50.29.025; adding new
3 sections to chapter 50.16 RCW; adding new sections to chapter 50.24
4 RCW; adding new sections to chapter 50.29 RCW; adding a new section to
5 chapter 28C.18 RCW; creating new sections; making appropriations;
6 providing an effective date; and providing an expiration date.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** The legislature finds that:

9 (1) The economy of the state depends on a well-trained work force
10 and a strong employment and unemployment system. A well-trained work
11 force generates the productivity employers need in order to compete in
12 the global economy and to pay workers good wages. A strong employment
13 and unemployment system ameliorates the negative impacts of
14 unemployment and matches the needs of employers with individuals
15 seeking employment.

16 (2) The legislature further finds that too many Washington workers
17 are unemployed, many of whom need new or enhanced work force skills in
18 order to meet current demand in the labor market. With the increasing
19 pace of economic change, employees must become life-long learners who

1 periodically obtain additional education and training. The state
2 should provide unemployed workers a variety of effective services,
3 including timely payment of unemployment benefits, job and career
4 counseling, job referral services, and training.

5 (3) At the same time, too many employers report problems finding
6 workers with the right skills. The state should provide employers with
7 an effective training system and an efficient method for locating well-
8 qualified workers. The state should also maintain the administrative
9 integrity of the state's unemployment insurance system.

10 (4) Despite these needs, contributions paid by Washington employers
11 specifically for the benefit of the unemployed in the state of
12 Washington have increasingly been held hostage by the federal deficit.
13 42 U.S.C. Sec. 502(a) mandates that the secretary of labor must certify
14 payment to each state the amounts necessary for the proper and
15 efficient administration of employment security services. However,
16 this duty of the secretary of labor is now curtailed by other federal
17 acts dealing with the federal deficit that have no relationship to the
18 unemployment insurance program. This results in uncertainty for the
19 customers of Washington state employment security services. Continued
20 federal funding reductions may result in widespread closure of
21 employment security offices, increased inability to administer an
22 efficient and effective employment security system, and elimination of
23 employment and training services for all but a handful of the most
24 impoverished citizens.

25 Therefore, the legislature finds it necessary and in the public
26 interest to create an employment and training trust fund in order to
27 provide state funding for employment and training services. The
28 legislature further finds it necessary and in the public interest to
29 create a state reserve trust fund for the payment of unemployment
30 insurance benefits in the event moneys in the unemployment compensation
31 trust fund in the federal treasury are insufficient or unavailable for
32 payment of unemployment insurance benefits within the state of
33 Washington.

34 NEW SECTION. **Sec. 2.** A new section is added to chapter 50.16 RCW
35 to read as follows:

36 (1) A separate and identifiable fund, separate and apart from all
37 public moneys or funds of this state, to provide a reserve for payment
38 of unemployment insurance benefits shall be established and

1 administered under the direction of the commissioner. This fund shall
2 be called the Washington benefit reserve trust fund. This fund shall
3 consist of contributions payable by each employer described under RCW
4 50.04.080 for any calendar quarter that begins on or after January 1,
5 1994, except employers as described by RCW 50.44.010 and 50.44.030 who
6 have properly elected to make payments in lieu of contributions,
7 employers who are required to make payments in lieu of contributions,
8 and employers paying contributions under RCW 50.44.035. The amount of
9 wages subject to contributions shall be determined according to RCW
10 50.24.010. The tax rate applicable to wages paid during the calendar
11 quarter shall be determined under section 7 of this act.

12 (2) Contributions under this section are due and must be paid by an
13 employer in accordance with rules adopted by the commissioner and may
14 not be deducted, in whole or in part, from the remuneration of an
15 individual in the employ of the employer. A deduction in violation of
16 this section is unlawful.

17 (3) In the payment of a contribution under this section, a
18 fractional part of a cent shall be disregarded unless it amounts to
19 one-half cent or more, in which case it shall be increased to one cent.

20 (4) The Washington benefit reserve trust fund is irrevocably vested
21 for the payment of unemployment insurance benefits.

22 (5) The Washington benefit reserve trust fund shall be a separate
23 and identifiable account in the state treasury. The state treasurer
24 shall invest the funds and deposit the interest earned in the
25 employment and training trust fund.

26 (6) The Washington benefit reserve trust fund is not available for
27 appropriation for a purpose other than the payment of unemployment
28 benefits. Should the unemployment compensation fund have insufficient
29 funds to meet benefit payment needs without requesting advances from
30 the federal government, the necessary funds must be transferred to the
31 unemployment compensation fund. No payment may be made from the
32 Washington benefit reserve trust fund nor transfers made except through
33 transfer to the unemployment compensation fund.

34 (7) Should the legislature appropriate funds from the Washington
35 benefit reserve trust fund inconsistent with federal requirements for
36 the use of the unemployment compensation fund or with the mandate of
37 chapter . . ., Laws of 1993 (this act), the entire balance in the state
38 reserve trust fund must be transferred immediately into the
39 unemployment insurance trust fund.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 50.24 RCW
2 to read as follows:

3 Employment and training trust fund contributions to the employment
4 and training trust fund shall accrue and become payable by each
5 employer, except employers as described in RCW 50.44.010 and 50.44.030
6 who have properly elected to make payments in lieu of contributions,
7 taxable local government employers as described in RCW 50.44.035, and
8 those employers who are required to make payments in lieu of
9 contributions, at the rate of one-tenth of one percent for rate year
10 1994, seventy-eight one-thousandths of one percent for rate year 1995,
11 five one-hundredths of one percent for rate year 1996, and sixteen one-
12 thousandths of one percent for rate year 1997. The amount of wages
13 subject to tax shall be determined under RCW 50.24.010.

14 NEW SECTION. **Sec. 4.** A new section is added to chapter 50.16 RCW
15 to read as follows:

16 There is hereby established the employment and training trust fund.
17 All moneys in this fund are irrevocably vested for the administration
18 of this title. The employment and training trust fund shall consist of
19 all moneys from employment and training trust fund contributions as
20 established in section 3 of this act and all moneys received as
21 interest earned on the investments made by the state treasurer from the
22 Washington benefit reserve trust fund. The treasurer of the employment
23 security department shall deposit, administer, and disburse all moneys
24 in the fund under rules adopted by the commissioner and RCW 43.01.050
25 and 43.84.092 are not applicable to this fund. The treasurer of the
26 employment security department shall be the treasurer of the employment
27 and training trust fund as described in RCW 50.16.020 and shall give a
28 bond conditioned upon the faithful performance of his or her duties in
29 connection with the fund. All sums recovered on the official bond for
30 losses sustained by the employment and training trust fund must be
31 deposited in the fund. Notwithstanding any provision of this section,
32 all moneys received and deposited in the fund under chapter . . . , Laws
33 of 1993 (this act), remain part of the employment and training trust
34 fund and may be used solely for the following purposes:

35 (1) Providing training and related support services to individuals
36 who have been terminated or have received a notice of termination from
37 employment, and who are eligible for or have exhausted their

1 entitlement to unemployment compensation benefits within the previous
2 twenty-four months;

3 (2) Maintaining and improving quality of unemployment insurance
4 service;

5 (3) Assisting workers in finding employment through job referral,
6 job development, counseling, and referral to training resources;

7 (4) Providing access to services in locations remote from permanent
8 office locations;

9 (5) Maintaining and improving service delivery to speed appropriate
10 payment of unemployment insurance benefits;

11 (6) Obtaining labor market information necessary for the
12 administration of the unemployment insurance program and to assist
13 unemployed workers in finding employment;

14 (7) Performing research to determine effectiveness of unemployment
15 insurance programs and to determine whether program changes would
16 benefit workers and employers;

17 (8) Collecting contributions for the benefit reserve trust fund and
18 the employment and training trust fund;

19 (9) Providing related services for the benefit of individuals
20 eligible for programs administered by the employment security
21 department; and

22 (10) Improving service through improved use of information
23 technology.

24 NEW SECTION. **Sec. 5.** The treasurer of the employment security
25 department shall disburse the amounts appropriated by sections 16 and
26 17, chapter . . ., Laws of 1993 (sections 16 and 17 of this act) to the
27 state board for community and technical colleges. The community and
28 technical college system may contract or otherwise work in partnership
29 with other public and private providers of training services to serve
30 the individuals eligible for training under chapter . . ., Laws of 1993
31 (this act). These funds shall be allotted for, and only for, training
32 programs and related support services that:

33 (1) Are consistent with work force training priorities and based
34 upon the comprehensive plan for work force training developed by the
35 work force training and education coordinating board. The state board
36 for community and technical colleges shall develop a plan for use and
37 evaluation of these funds which is to be approved by the work force
38 training and education coordinating board for consistency with their

1 work force priorities. Further, the state board for community and
2 technical colleges shall report to the work force training and
3 education coordinating board and the legislature annually on the
4 progress and results of the training and support services provided to
5 eligible participants;

6 (2) Provide increased enrollments for individuals who have been
7 terminated or have received a notice of termination from employment,
8 and who are eligible for or have exhausted their entitlement to
9 unemployment compensation benefits within the previous twenty-four
10 months, with first priority given to individuals who are unlikely to
11 return to employment in the individuals' principal occupation or
12 previous industry because of a diminishing demand for their skills in
13 that occupation or industry; and

14 (3) Provide increased enrollments and support services that do not
15 replace or supplant any existing enrollments, programs, support
16 services, or funding sources.

17 NEW SECTION. **Sec. 6.** A new section is added to chapter 50.24 RCW
18 to read as follows:

19 (1) The Washington benefit reserve trust fund balance ratio shall
20 be determined by dividing the balance in the state reserve trust fund
21 as of the June 30th immediately preceding the rate year by the total
22 taxable wages paid by all employers subject to contributions during the
23 second calendar year preceding the rate year and reported to the
24 department by the following March 31st. The division shall be carried
25 to the fourth decimal place with the remaining fraction, if any,
26 disregarded. The fund balance ratio shall be expressed as a
27 percentage.

28 (2) If the Washington benefit reserve trust fund balance ratio
29 exceeds two percent on the date of calculation, any amount in excess of
30 two percent shall be transferred to the unemployment compensation trust
31 fund.

32 NEW SECTION. **Sec. 7.** A new section is added to chapter 50.29 RCW
33 to read as follows:

34 The Washington benefit reserve trust fund contribution rate for
35 each employer shall be determined as follows:

36 (1) The effective tax schedule and rate classes shall be assigned
37 as required in RCW 50.29.025.

1 (2) The Washington benefit reserve trust fund contribution rate for
 2 an employer shall be the rate specified in the following table for the
 3 rate class to which the employer has been assigned, as determined under
 4 RCW 50.29.025(5) within the tax schedule which is to be in effect
 5 during the rate year:

Percent of			Schedule of Contribution Rates for						
Cumulative			Effective Tax Schedule						
Taxable Payrolls									
Rate									
From	To	Class:	A	B	C	D	E	F	
0.00	5.00	1	0.10	0.12	0.20	0.30	0.38	0.50	
5.01	10.00	2	0.10	0.16	0.24	0.34	0.42	0.54	
10.01	15.00	3	0.12	0.20	0.28	0.36	0.46	0.58	
15.01	20.00	4	0.16	0.24	0.32	0.40	0.50	0.62	
20.01	25.00	5	0.20	0.28	0.36	0.44	0.54	0.64	
25.01	30.00	6	0.24	0.32	0.40	0.48	0.56	0.66	
30.01	35.00	7	0.28	0.36	0.44	0.52	0.60	0.68	
35.01	40.00	8	0.32	0.40	0.48	0.56	0.64	0.72	
40.01	45.00	9	0.36	0.44	0.52	0.60	0.68	0.76	
45.01	50.00	10	0.40	0.48	0.56	0.64	0.72	0.80	
50.01	55.00	11	0.46	0.52	0.60	0.68	0.76	0.82	
55.01	60.00	12	0.50	0.56	0.64	0.72	0.80	0.86	
60.01	65.00	13	0.54	0.60	0.68	0.76	0.84	0.90	
65.01	70.00	14	0.58	0.64	0.72	0.80	0.88	0.94	
70.01	75.00	15	0.62	0.68	0.76	0.84	0.92	0.96	
75.01	80.00	16	0.66	0.72	0.80	0.88	0.94	0.98	
80.01	85.00	17	0.70	0.76	0.84	0.92	0.98	1.00	
85.01	90.00	18	0.78	0.84	0.92	0.98	1.00	1.04	
90.01	95.00	19	0.86	0.92	1.00	1.02	1.04	1.08	
95.01	100.00	20	0	0	0	0	0	0	

31 (3) The contribution rate for an employer not qualified to be in
 32 the array shall be determined as follows:

33 (a) An employer who does not meet the definition of "qualified
 34 employer" by reason of failure to pay contributions when due shall be
 35 assigned the contribution rate of one and eight one-hundredths percent,
 36 except employers who have an approved agency-deferred payment contract

1 by September 30 of the previous rate year. If an employer with an
2 approved agency-deferred payment contract fails to make one of the
3 succeeding deferred payments or fails to submit a succeeding tax report
4 and payment in a timely manner, the employer's tax rate shall
5 immediately revert to one and eight one-hundredths percent for the
6 current rate year;

7 (b) The contribution rate for employers exempt as of December 31,
8 1989, who are newly covered under the section 78, chapter 380, Laws of
9 1989 amendment to RCW 50.04.150 and not yet qualified to be in the
10 array shall be 0.5 percent for employers whose standard industrial code
11 is "013", "016", "017", "018", "019", "021", or "081"; and

12 (c) For all other employers not qualified to be in the array, the
13 contribution rate shall be a rate equal to twenty percent of the
14 average industry rate as determined by the commissioner, but the rate
15 may not be less than two-tenths of one percent. The calculated rate
16 shall be rounded to the nearest one-hundredth percent. Assignment of
17 an employer by the commissioner to industrial classification, for
18 purposes of this subsection, shall be in accordance with established
19 classification practices found in the "Standard Industrial
20 Classification Manual" issued by the federal office of management and
21 budget to the third digit provided in the Standard Industrial
22 Classification code.

23 **Sec. 8.** RCW 50.16.010 and 1991 sp.s. c 13 s 59 are each amended
24 to read as follows:

25 There shall be maintained as special funds, separate and apart
26 from all public moneys or funds of this state an unemployment
27 compensation fund, an administrative contingency fund, a Washington
28 benefit reserve trust fund, an employment and training trust fund, and
29 a federal interest payment fund, which shall be administered by the
30 commissioner exclusively for the purposes of this title, and to which
31 RCW 43.01.050 and 43.84.092 shall not be applicable.

32 (1) The unemployment compensation fund shall consist of
33 ((+1)) (a) all contributions and payments in lieu of
34 contributions collected pursuant to the provisions of this title,
35 ((+2)) (b) any property or securities acquired through the use of
36 moneys belonging to the fund,
37 ((+3)) (c) all earnings of such property or securities,

1 ~~((+4))~~ (d) any moneys received from the federal unemployment
2 account in the unemployment trust fund in accordance with Title XII of
3 the social security act, as amended,

4 ~~((+5))~~ (e) all money recovered on official bonds for losses
5 sustained by the fund,

6 ~~((+6))~~ (f) all money credited to this state's account in the
7 unemployment trust fund pursuant to section 903 of the social security
8 act, as amended,

9 ~~((+7))~~ (g) all money received from the federal government as
10 reimbursement pursuant to section 204 of the federal-state extended
11 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and

12 ~~((+8))~~ (h) all moneys received for the fund from any other
13 source.

14 All moneys in the unemployment compensation fund shall be
15 commingled and undivided.

16 (2)(a) The administrative contingency fund shall consist of:

17 (i) All interest on delinquent contributions collected pursuant to
18 this title~~((7))~~i

19 (ii) All fines and penalties collected pursuant to the provisions
20 of this title~~((7))~~i

21 (iii) All sums recovered on official bonds for losses sustained by
22 the fund~~((7))~~i and

23 (iv) Revenue received under RCW 50.24.014:

24 PROVIDED, That all fees, fines, forfeitures and penalties
25 collected or assessed by a district court because of the violation of
26 a state law shall be remitted as provided in chapter 3.62 RCW as now
27 exists or is later amended.

28 (b) Moneys available in the administrative contingency fund, other
29 than money in the special account created under RCW 50.24.014, shall be
30 expended upon the direction of the commissioner, with the approval of
31 the governor, whenever it appears to him or her that such expenditure
32 is necessary for:

33 ~~((+a))~~ (i) The proper administration of this title and no federal
34 funds are available for the specific purpose to which such expenditure
35 is to be made, provided, the moneys are not substituted for
36 appropriations from federal funds which, in the absence of such moneys,
37 would be made available.

38 ~~((+b))~~ (ii) The proper administration of this title for which
39 purpose appropriations from federal funds have been requested but not

1 yet received, provided, the administrative contingency fund will be
2 reimbursed upon receipt of the requested federal appropriation.

3 Money in the special account created under RCW 50.24.014 may only
4 be expended, after appropriation, for the purposes specified in RCW
5 (~~(74.09.035, 74.09.510, 74.09.520, and 74.09.700)~~) 50.62.010,
6 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010, 50.29.025,
7 50.24.014, 50.44.053, and 50.22.010.

8 (3) The Washington benefit reserve trust fund shall consist of
9 those contributions collected under section 2 of this act, and shall be
10 used in accordance with section 2 of this act.

11 (4) The employment and training trust fund shall consist of all
12 contributions received from the employment and training trust fund
13 contributions in accordance with section 3 of this act and interest
14 earned and deposited by the state treasurer in accordance with section
15 2 of this act.

16 **Sec. 9.** RCW 50.16.010 and 1993 c . . s 8 (section 8 of this act)
17 are each amended to read as follows:

18 There shall be maintained as special funds, separate and apart
19 from all public moneys or funds of this state an unemployment
20 compensation fund, an administrative contingency fund, (~~(a Washington~~
21 ~~benefit reserve trust fund, an employment and training trust fund,~~)
22 and a federal interest payment fund, which shall be administered by the
23 commissioner exclusively for the purposes of this title, and to which
24 RCW 43.01.050 (~~(and 43.84.092)~~) shall not be applicable.

25 ~~((+l))~~ The unemployment compensation fund shall consist of

26 ~~((+a))~~ (1) all contributions and payments in lieu of
27 contributions collected pursuant to the provisions of this title,

28 ~~((+b))~~ (2) any property or securities acquired through the use of
29 moneys belonging to the fund,

30 ~~((+e))~~ (3) all earnings of such property or securities,

31 ~~((+d))~~ (4) any moneys received from the federal unemployment
32 account in the unemployment trust fund in accordance with Title XII of
33 the social security act, as amended,

34 ~~((+e))~~ (5) all money recovered on official bonds for losses
35 sustained by the fund,

36 ~~((+f))~~ (6) all money credited to this state's account in the
37 unemployment trust fund pursuant to section 903 of the social security
38 act, as amended,

1 (~~(g)~~) (7) all money received from the federal government as
2 reimbursement pursuant to section 204 of the federal-state extended
3 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and

4 (~~(h)~~) (8) all moneys received for the fund from any other
5 source.

6 All moneys in the unemployment compensation fund shall be
7 commingled and undivided.

8 (~~(2)(a)~~) The administrative contingency fund shall consist of(~~(+~~
9 ~~(i)~~) all interest on delinquent contributions collected pursuant
10 to this title(~~(+)~~);

11 (~~(ii)~~) all fines and penalties collected pursuant to the
12 provisions of this title(~~(+)~~);

13 (~~(iii)~~) all sums recovered on official bonds for losses
14 sustained by the fund(~~(+)~~); and

15 (~~(iv)~~) revenue received under RCW 50.24.014:

16 PROVIDED, That all fees, fines, forfeitures and penalties
17 collected or assessed by a district court because of the violation of
18 a state law shall be remitted as provided in chapter 3.62 RCW as now
19 exists or is later amended.

20 (~~(b)~~) Moneys available in the administrative contingency fund,
21 other than money in the special account created under RCW 50.24.014,
22 shall be expended upon the direction of the commissioner, with the
23 approval of the governor, whenever it appears to him or her that such
24 expenditure is necessary for:

25 (~~(i)~~) (a) The proper administration of this title and no federal
26 funds are available for the specific purpose to which such expenditure
27 is to be made, provided, the moneys are not substituted for
28 appropriations from federal funds which, in the absence of such moneys,
29 would be made available.

30 (~~(ii)~~) (b) The proper administration of this title for which
31 purpose appropriations from federal funds have been requested but not
32 yet received, provided, the administrative contingency fund will be
33 reimbursed upon receipt of the requested federal appropriation.

34 Money in the special account created under RCW 50.24.014 may only
35 be expended, after appropriation, for the purposes specified in RCW
36 50.62.010, 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010,
37 50.29.025, 50.24.014, 50.44.053, and 50.22.010.

1 ~~((3) The Washington benefit reserve trust fund shall consist of~~
2 ~~those contributions collected under section 2 of this act, and shall be~~
3 ~~used in accordance with section 2 of this act.~~

4 ~~(4) The employment and training trust fund shall consist of all~~
5 ~~contributions received from the employment and training trust fund~~
6 ~~contributions in accordance with section 3 of this act and interest~~
7 ~~earned and deposited by the state treasurer in accordance with section~~
8 ~~2 of this act.))~~

9 **Sec. 10.** RCW 50.16.020 and 1983 1st ex.s. c 23 s 10 are each
10 amended to read as follows:

11 The commissioner shall designate a treasurer and custodian of the
12 unemployment compensation fund, the Washington benefit reserve trust
13 fund, the employment and training trust fund, and ~~((of))~~ the
14 administrative contingency fund, who shall administer such funds in
15 accordance with the directions of the commissioner and shall issue his
16 or her warrants upon them in accordance with such regulations as the
17 commissioner shall prescribe. ~~((He))~~ The treasurer and custodian shall
18 maintain within the unemployment compensation fund three separate
19 accounts as follows:

- 20 (1) a clearing account,
- 21 (2) an unemployment trust fund account, and
- 22 (3) a benefit account.

23 All moneys payable to the unemployment compensation fund, upon
24 receipt thereof by the commissioner, shall be forwarded to the
25 treasurer, who shall immediately deposit them in the clearing account.
26 Refunds payable pursuant to the provisions of this title from the
27 unemployment compensation fund may be paid from the clearing account
28 upon warrants issued by the treasurer under the direction of the
29 commissioner: PROVIDED, HOWEVER, That refunds of interest or penalties
30 on delinquent contributions shall be paid from the administrative
31 contingency fund upon warrants issued by the treasurer under the
32 direction of the commissioner.

33 After clearance thereof, all other moneys in the clearing account
34 shall be immediately deposited with the Secretary of the Treasury of
35 the United States to the credit of the account of this state in the
36 unemployment trust fund, established and maintained pursuant to section
37 904 of the social security act, as amended, any provisions of law in
38 this state relating to the deposit, administration, release, or

1 disbursement of moneys in the possession or custody of this state to
2 the contrary notwithstanding.

3 The benefit account shall consist of all moneys requisitioned from
4 this state's account in the unemployment trust fund. Moneys in the
5 clearing and benefit accounts and in the administrative contingency
6 fund shall not be commingled with other state funds, but shall be
7 deposited by the treasurer, under the direction of the commissioner, in
8 any bank or public depository in which general funds of the state may
9 be deposited, but no public deposit insurance charge or premium shall
10 be paid out of the fund.

11 Such moneys shall be secured by said bank or public depository to
12 the same extent and in the same manner as required by the general
13 depository law of the state and collateral pledged shall be maintained
14 in a separate custody account.

15 The treasurer shall give a bond conditioned upon the faithful
16 performance of his or her duties as a custodian of the funds in an
17 amount fixed by the director of the department of general
18 administration and in a form prescribed by law or approved by the
19 attorney general. Premiums for said bond shall be paid from the
20 administration fund. All sums recovered on official bonds for losses
21 sustained by the unemployment compensation fund shall be deposited in
22 such fund. All sums recovered on official bonds for losses sustained
23 by the administrative contingency fund shall be deposited in such fund.

24 **Sec. 11.** RCW 50.16.020 and 1993 c .. s 10 (section 10 of this
25 act) are each amended to read as follows:

26 The commissioner shall designate a treasurer and custodian of the
27 unemployment compensation fund(~~(, the Washington benefit reserve trust~~
28 ~~fund, the employment and training trust fund,)) and of the
29 administrative contingency fund, who shall administer such funds in
30 accordance with the directions of the commissioner and shall issue his
31 or her warrants upon them in accordance with such regulations as the
32 commissioner shall prescribe. The treasurer and custodian shall
33 maintain within the unemployment compensation fund three separate
34 accounts as follows:~~

- 35 (1) a clearing account,
36 (2) an unemployment trust fund account, and
37 (3) a benefit account.

1 All moneys payable to the unemployment compensation fund, upon
2 receipt thereof by the commissioner, shall be forwarded to the
3 treasurer, who shall immediately deposit them in the clearing account.
4 Refunds payable pursuant to the provisions of this title from the
5 unemployment compensation fund may be paid from the clearing account
6 upon warrants issued by the treasurer under the direction of the
7 commissioner: PROVIDED, HOWEVER, That refunds of interest or penalties
8 on delinquent contributions shall be paid from the administrative
9 contingency fund upon warrants issued by the treasurer under the
10 direction of the commissioner.

11 After clearance thereof, all other moneys in the clearing account
12 shall be immediately deposited with the Secretary of the Treasury of
13 the United States to the credit of the account of this state in the
14 unemployment trust fund, established and maintained pursuant to section
15 904 of the social security act, as amended, any provisions of law in
16 this state relating to the deposit, administration, release, or
17 disbursement of moneys in the possession or custody of this state to
18 the contrary notwithstanding.

19 The benefit account shall consist of all moneys requisitioned from
20 this state's account in the unemployment trust fund. Moneys in the
21 clearing and benefit accounts and in the administrative contingency
22 fund shall not be commingled with other state funds, but shall be
23 deposited by the treasurer, under the direction of the commissioner, in
24 any bank or public depository in which general funds of the state may
25 be deposited, but no public deposit insurance charge or premium shall
26 be paid out of the fund.

27 Such moneys shall be secured by said bank or public depository to
28 the same extent and in the same manner as required by the general
29 depository law of the state and collateral pledged shall be maintained
30 in a separate custody account.

31 The treasurer shall give a bond conditioned upon the faithful
32 performance of his or her duties as a custodian of the funds in an
33 amount fixed by the director of the department of general
34 administration and in a form prescribed by law or approved by the
35 attorney general. Premiums for said bond shall be paid from the
36 administration fund. All sums recovered on official bonds for losses
37 sustained by the unemployment compensation fund shall be deposited in
38 such fund. All sums recovered on official bonds for losses sustained
39 by the administrative contingency fund shall be deposited in such fund.

1 **Sec. 12.** RCW 50.29.025 and 1990 c 245 s 7 are each amended to
2 read as follows:

3 The contribution rate for each employer shall be determined under
4 this section.

5 (1) A fund balance ratio shall be determined by dividing the
6 balance in the unemployment compensation fund as of the June 30th
7 immediately preceding the rate year by the total remuneration paid by
8 all employers subject to contributions during the second calendar year
9 preceding the rate year and reported to the department by the following
10 March 31st. The division shall be carried to the fourth decimal place
11 with the remaining fraction, if any, disregarded. The fund balance
12 ratio shall be expressed as a percentage.

13 (2) The fund balance ratio, expressed as a percentage, shall be
14 increased by 1.20 to determine the adjusted fund balance ratio.
15 However, the increase for rate years 1994 and 1995 shall be 0.00, for
16 rate year 1996 shall be 0.40, for rate year 1997 shall be 0.60, and for
17 rate year 1998 shall be 1.00.

18 (3) The interval of the adjusted fund balance ratio, expressed as
19 a percentage, shall determine which tax schedule in subsection ((+5))
20 (6) of this section shall be in effect for assigning tax rates for the
21 rate year. The intervals for determining the effective tax schedule
22 shall be:

23	Interval of the	
24	Fund Balance Ratio	Effective
25	Expressed as a Percentage	Tax Schedule
26	3.40 and above	A
27	2.90 to 3.39	B
28	2.40 to 2.89	C
29	1.90 to 2.39	D
30	1.40 to 1.89	E
31	Less than 1.40	F

32 ((+3)) (4) An array shall be prepared, listing all qualified
33 employers in ascending order of their benefit ratios. The array shall
34 show for each qualified employer: (a) Identification number; (b)
35 benefit ratio; (c) taxable payrolls for the four calendar quarters
36 immediately preceding the computation date and reported to the

1 department by the cut-off date; (d) a cumulative total of taxable
 2 payrolls consisting of the employer's taxable payroll plus the taxable
 3 payrolls of all other employers preceding him or her in the array; and
 4 (e) the percentage equivalent of the cumulative total of taxable
 5 payrolls.

6 ~~((4))~~ (5) Each employer in the array shall be assigned to one of
 7 twenty rate classes according to the percentage intervals of cumulative
 8 taxable payrolls set forth in subsection ~~((5))~~ (6) of this section:
 9 PROVIDED, That if an employer's taxable payroll falls within two or
 10 more rate classes, the employer and any other employer with the same
 11 benefit ratio shall be assigned to the lowest rate class which includes
 12 any portion of the employer's taxable payroll.

13 ~~((5))~~ (6) The contribution rate for each employer in the array
 14 shall be the rate specified in the following tables for the rate class
 15 to which he or she has been assigned, as determined under subsection
 16 ~~((4))~~ (5) of this section, within the tax schedule which is to be in
 17 effect during the specified rate year:

18 For Rate Year 1994:

19 Percent of			20 Schedule ((s)) of Contribution ((s)) Rates						
21 Cumulative			21 for Effective Tax Schedule						
22 Taxable Payrolls			22 Rate						
23 From	23 To	23 Class	23 A	23 B	23 C	23 D	23 E	23 F	
24 ((0.00	24 5.00	24 1	24 0.48	24 0.58	24 0.98	24 1.48	24 1.88	24 2.48	
25 5.01	25 10.00	25 2	25 0.48	25 0.78	25 1.18	25 1.68	25 2.08	25 2.68	
26 10.01	26 15.00	26 3	26 0.58	26 0.98	26 1.38	26 1.78	26 2.28	26 2.88	
27 15.01	27 20.00	27 4	27 0.78	27 1.18	27 1.58	27 1.98	27 2.48	27 3.08	
28 20.01	28 25.00	28 5	28 0.98	28 1.38	28 1.78	28 2.18	28 2.68	28 3.18	
29 25.01	29 30.00	29 6	29 1.18	29 1.58	29 1.98	29 2.38	29 2.78	29 3.28	
30 30.01	30 35.00	30 7	30 1.38	30 1.78	30 2.18	30 2.58	30 2.98	30 3.38	
31 35.01	31 40.00	31 8	31 1.58	31 1.98	31 2.38	31 2.78	31 3.18	31 3.58	
32 40.01	32 45.00	32 9	32 1.78	32 2.18	32 2.58	32 2.98	32 3.38	32 3.78	
33 45.01	33 50.00	33 10	33 1.98	33 2.38	33 2.78	33 3.18	33 3.58	33 3.98	
34 50.01	34 55.00	34 11	34 2.28	34 2.58	34 2.98	34 3.38	34 3.78	34 4.08	
35 55.01	35 60.00	35 12	35 2.48	35 2.78	35 3.18	35 3.58	35 3.98	35 4.28	
36 60.01	36 65.00	36 13	36 2.68	36 2.98	36 3.38	36 3.78	36 4.18	36 4.48	
37 65.01	37 70.00	37 14	37 2.88	37 3.18	37 3.58	37 3.98	37 4.38	37 4.68	

1	70.01	75.00	15	3.08	3.38	3.78	4.18	4.58	4.78
2	75.01	80.00	16	3.28	3.58	3.98	4.38	4.68	4.88
3	80.01	85.00	17	3.48	3.78	4.18	4.58	4.88	4.98
4	85.01	90.00	18	3.88	4.18	4.58	4.88	4.98	5.18
5	90.01	95.00	19	4.28	4.58	4.98	5.08	5.18	5.38
6	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40))

7	<u>0.00</u>	<u>5.00</u>	<u>1</u>	<u>0.28</u>	<u>0.36</u>	<u>0.68</u>	<u>1.08</u>	<u>1.40</u>	<u>1.88</u>
8	<u>5.01</u>	<u>10.00</u>	<u>2</u>	<u>0.28</u>	<u>0.52</u>	<u>0.84</u>	<u>1.24</u>	<u>1.56</u>	<u>2.04</u>
9	<u>10.01</u>	<u>15.00</u>	<u>3</u>	<u>0.36</u>	<u>0.68</u>	<u>1.00</u>	<u>1.32</u>	<u>1.72</u>	<u>2.20</u>
10	<u>15.01</u>	<u>20.00</u>	<u>4</u>	<u>0.52</u>	<u>0.84</u>	<u>1.16</u>	<u>1.48</u>	<u>1.88</u>	<u>2.36</u>
11	<u>20.01</u>	<u>25.00</u>	<u>5</u>	<u>0.68</u>	<u>1.00</u>	<u>1.32</u>	<u>1.64</u>	<u>2.04</u>	<u>2.44</u>
12	<u>25.01</u>	<u>30.00</u>	<u>6</u>	<u>0.84</u>	<u>1.16</u>	<u>1.48</u>	<u>1.80</u>	<u>2.12</u>	<u>2.52</u>
13	<u>30.01</u>	<u>35.00</u>	<u>7</u>	<u>1.00</u>	<u>1.32</u>	<u>1.64</u>	<u>1.96</u>	<u>2.28</u>	<u>2.60</u>
14	<u>35.01</u>	<u>40.00</u>	<u>8</u>	<u>1.16</u>	<u>1.48</u>	<u>1.80</u>	<u>2.12</u>	<u>2.44</u>	<u>2.76</u>
15	<u>40.01</u>	<u>45.00</u>	<u>9</u>	<u>1.32</u>	<u>1.64</u>	<u>1.96</u>	<u>2.28</u>	<u>2.60</u>	<u>2.92</u>
16	<u>45.01</u>	<u>50.00</u>	<u>10</u>	<u>1.48</u>	<u>1.80</u>	<u>2.12</u>	<u>2.44</u>	<u>2.76</u>	<u>3.08</u>
17	<u>50.01</u>	<u>55.00</u>	<u>11</u>	<u>1.72</u>	<u>1.96</u>	<u>2.28</u>	<u>2.60</u>	<u>2.92</u>	<u>3.16</u>
18	<u>55.01</u>	<u>60.00</u>	<u>12</u>	<u>1.88</u>	<u>2.12</u>	<u>2.44</u>	<u>2.76</u>	<u>3.08</u>	<u>3.32</u>
19	<u>60.01</u>	<u>65.00</u>	<u>13</u>	<u>2.04</u>	<u>2.28</u>	<u>2.60</u>	<u>2.92</u>	<u>3.24</u>	<u>3.48</u>
20	<u>65.01</u>	<u>70.00</u>	<u>14</u>	<u>2.20</u>	<u>2.44</u>	<u>2.76</u>	<u>3.08</u>	<u>3.40</u>	<u>3.64</u>
21	<u>70.01</u>	<u>75.00</u>	<u>15</u>	<u>2.36</u>	<u>2.60</u>	<u>2.92</u>	<u>3.24</u>	<u>3.56</u>	<u>3.72</u>
22	<u>75.01</u>	<u>80.00</u>	<u>16</u>	<u>2.52</u>	<u>2.76</u>	<u>3.08</u>	<u>3.40</u>	<u>3.64</u>	<u>3.80</u>
23	<u>80.01</u>	<u>85.00</u>	<u>17</u>	<u>2.68</u>	<u>2.92</u>	<u>3.24</u>	<u>3.56</u>	<u>3.80</u>	<u>3.88</u>
24	<u>85.01</u>	<u>90.00</u>	<u>18</u>	<u>3.00</u>	<u>3.24</u>	<u>3.56</u>	<u>3.80</u>	<u>3.88</u>	<u>4.04</u>
25	<u>90.01</u>	<u>95.00</u>	<u>19</u>	<u>3.32</u>	<u>3.56</u>	<u>3.88</u>	<u>3.96</u>	<u>4.04</u>	<u>4.20</u>
26	<u>95.01</u>	<u>100.00</u>	<u>20</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>

27 For Rate Year 1995:

28	<u>Percent of</u>			<u>Schedule of Contribution Rates for</u>					
29	<u>Cumulative</u>			<u>Effective Tax Schedule</u>					
30	<u>Taxable Payrolls</u>			<u>Rate</u>					
31			<u>Class</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
32	<u>From</u>	<u>To</u>							
33	<u>0.00</u>	<u>5.00</u>	<u>1</u>	<u>0.302</u>	<u>0.382</u>	<u>0.702</u>	<u>1.102</u>	<u>1.422</u>	<u>1.902</u>
34	<u>5.01</u>	<u>10.00</u>	<u>2</u>	<u>0.302</u>	<u>0.542</u>	<u>0.862</u>	<u>1.262</u>	<u>1.582</u>	<u>2.062</u>
35	<u>10.01</u>	<u>15.00</u>	<u>3</u>	<u>0.382</u>	<u>0.702</u>	<u>1.022</u>	<u>1.342</u>	<u>1.742</u>	<u>2.222</u>
36	<u>15.01</u>	<u>20.00</u>	<u>4</u>	<u>0.542</u>	<u>0.862</u>	<u>1.182</u>	<u>1.502</u>	<u>1.902</u>	<u>2.382</u>

1	<u>20.01</u>	<u>25.00</u>	<u>5</u>	<u>0.702</u>	<u>1.022</u>	<u>1.342</u>	<u>1.662</u>	<u>2.062</u>	<u>2.462</u>
2	<u>25.01</u>	<u>30.00</u>	<u>6</u>	<u>0.862</u>	<u>1.182</u>	<u>1.502</u>	<u>1.822</u>	<u>2.142</u>	<u>2.542</u>
3	<u>30.01</u>	<u>35.00</u>	<u>7</u>	<u>1.022</u>	<u>1.342</u>	<u>1.662</u>	<u>1.982</u>	<u>2.302</u>	<u>2.622</u>
4	<u>35.01</u>	<u>40.00</u>	<u>8</u>	<u>1.182</u>	<u>1.502</u>	<u>1.822</u>	<u>2.142</u>	<u>2.462</u>	<u>2.782</u>
5	<u>40.01</u>	<u>45.00</u>	<u>9</u>	<u>1.342</u>	<u>1.662</u>	<u>1.982</u>	<u>2.302</u>	<u>2.622</u>	<u>2.942</u>
6	<u>45.01</u>	<u>50.00</u>	<u>10</u>	<u>1.502</u>	<u>1.822</u>	<u>2.142</u>	<u>2.462</u>	<u>2.782</u>	<u>3.102</u>
7	<u>50.01</u>	<u>55.00</u>	<u>11</u>	<u>1.742</u>	<u>1.982</u>	<u>2.302</u>	<u>2.622</u>	<u>2.942</u>	<u>3.182</u>
8	<u>55.01</u>	<u>60.00</u>	<u>12</u>	<u>1.902</u>	<u>2.142</u>	<u>2.462</u>	<u>2.782</u>	<u>3.102</u>	<u>3.342</u>
9	<u>60.01</u>	<u>65.00</u>	<u>13</u>	<u>2.062</u>	<u>2.302</u>	<u>2.622</u>	<u>2.942</u>	<u>3.262</u>	<u>3.502</u>
10	<u>65.01</u>	<u>70.00</u>	<u>14</u>	<u>2.222</u>	<u>2.462</u>	<u>2.782</u>	<u>3.102</u>	<u>3.422</u>	<u>3.662</u>
11	<u>70.01</u>	<u>75.00</u>	<u>15</u>	<u>2.382</u>	<u>2.622</u>	<u>2.942</u>	<u>3.262</u>	<u>3.582</u>	<u>3.742</u>
12	<u>75.01</u>	<u>80.00</u>	<u>16</u>	<u>2.542</u>	<u>2.782</u>	<u>3.102</u>	<u>3.422</u>	<u>3.662</u>	<u>3.822</u>
13	<u>80.01</u>	<u>85.00</u>	<u>17</u>	<u>2.702</u>	<u>2.942</u>	<u>3.262</u>	<u>3.582</u>	<u>3.822</u>	<u>3.902</u>
14	<u>85.01</u>	<u>90.00</u>	<u>18</u>	<u>3.022</u>	<u>3.262</u>	<u>3.582</u>	<u>3.822</u>	<u>3.902</u>	<u>4.062</u>
15	<u>90.01</u>	<u>95.00</u>	<u>19</u>	<u>3.342</u>	<u>3.582</u>	<u>3.902</u>	<u>3.982</u>	<u>4.062</u>	<u>4.222</u>
16	<u>95.01</u>	<u>100.00</u>	<u>20</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>

17 For Rate Year 1996:

18 Percent of

19 Cumulative

20 Taxable Payrolls

Schedule of Contribution Rates for

Effective Tax Schedule

21 Rate

22 From To Class A B C D E F

23	<u>0.00</u>	<u>5.00</u>	<u>1</u>	<u>0.33</u>	<u>0.41</u>	<u>0.73</u>	<u>1.13</u>	<u>1.45</u>	<u>1.93</u>
24	<u>5.01</u>	<u>10.00</u>	<u>2</u>	<u>0.33</u>	<u>0.57</u>	<u>0.89</u>	<u>1.29</u>	<u>1.61</u>	<u>2.09</u>
25	<u>10.01</u>	<u>15.00</u>	<u>3</u>	<u>0.41</u>	<u>0.73</u>	<u>1.05</u>	<u>1.37</u>	<u>1.77</u>	<u>2.25</u>
26	<u>15.01</u>	<u>20.00</u>	<u>4</u>	<u>0.57</u>	<u>0.89</u>	<u>1.21</u>	<u>1.53</u>	<u>1.93</u>	<u>2.41</u>
27	<u>20.01</u>	<u>25.00</u>	<u>5</u>	<u>0.73</u>	<u>1.05</u>	<u>1.37</u>	<u>1.69</u>	<u>2.09</u>	<u>2.49</u>
28	<u>25.01</u>	<u>30.00</u>	<u>6</u>	<u>0.89</u>	<u>1.21</u>	<u>1.53</u>	<u>1.85</u>	<u>2.17</u>	<u>2.57</u>
29	<u>30.01</u>	<u>35.00</u>	<u>7</u>	<u>1.05</u>	<u>1.37</u>	<u>1.69</u>	<u>2.01</u>	<u>2.33</u>	<u>2.65</u>
30	<u>35.01</u>	<u>40.00</u>	<u>8</u>	<u>1.21</u>	<u>1.53</u>	<u>1.85</u>	<u>2.17</u>	<u>2.49</u>	<u>2.81</u>
31	<u>40.01</u>	<u>45.00</u>	<u>9</u>	<u>1.37</u>	<u>1.69</u>	<u>2.01</u>	<u>2.33</u>	<u>2.65</u>	<u>2.97</u>
32	<u>45.01</u>	<u>50.00</u>	<u>10</u>	<u>1.53</u>	<u>1.85</u>	<u>2.17</u>	<u>2.49</u>	<u>2.81</u>	<u>3.13</u>
33	<u>50.01</u>	<u>55.00</u>	<u>11</u>	<u>1.77</u>	<u>2.01</u>	<u>2.33</u>	<u>2.65</u>	<u>2.97</u>	<u>3.21</u>
34	<u>55.01</u>	<u>60.00</u>	<u>12</u>	<u>1.93</u>	<u>2.17</u>	<u>2.49</u>	<u>2.81</u>	<u>3.13</u>	<u>3.37</u>
35	<u>60.01</u>	<u>65.00</u>	<u>13</u>	<u>2.09</u>	<u>2.33</u>	<u>2.65</u>	<u>2.97</u>	<u>3.29</u>	<u>3.53</u>
36	<u>65.01</u>	<u>70.00</u>	<u>14</u>	<u>2.25</u>	<u>2.49</u>	<u>2.81</u>	<u>3.13</u>	<u>3.45</u>	<u>3.69</u>
37	<u>70.01</u>	<u>75.00</u>	<u>15</u>	<u>2.41</u>	<u>2.65</u>	<u>2.97</u>	<u>3.29</u>	<u>3.61</u>	<u>3.77</u>

1	<u>75.01</u>	<u>80.00</u>	<u>16</u>	<u>2.57</u>	<u>2.81</u>	<u>3.13</u>	<u>3.45</u>	<u>3.69</u>	<u>3.85</u>
2	<u>80.01</u>	<u>85.00</u>	<u>17</u>	<u>2.73</u>	<u>2.97</u>	<u>3.29</u>	<u>3.61</u>	<u>3.85</u>	<u>3.93</u>
3	<u>85.01</u>	<u>90.00</u>	<u>18</u>	<u>3.05</u>	<u>3.29</u>	<u>3.61</u>	<u>3.85</u>	<u>3.93</u>	<u>4.09</u>
4	<u>90.01</u>	<u>95.00</u>	<u>19</u>	<u>3.37</u>	<u>3.61</u>	<u>3.93</u>	<u>4.01</u>	<u>4.09</u>	<u>4.25</u>
5	<u>95.01</u>	<u>100.00</u>	<u>20</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>

6 For Rate Year 1997:

7 Percent of

8 Cumulative

9 Taxable Payrolls

Schedule of Contribution Rates for

Effective Tax Schedule

10 Rate

11 From To Class A B C D E F

12	<u>0.00</u>	<u>5.00</u>	<u>1</u>	<u>0.364</u>	<u>0.444</u>	<u>0.764</u>	<u>1.164</u>	<u>1.484</u>	<u>1.964</u>
13	<u>5.01</u>	<u>10.00</u>	<u>2</u>	<u>0.364</u>	<u>0.604</u>	<u>0.924</u>	<u>1.324</u>	<u>1.644</u>	<u>2.124</u>
14	<u>10.01</u>	<u>15.00</u>	<u>3</u>	<u>0.444</u>	<u>0.764</u>	<u>1.084</u>	<u>1.404</u>	<u>1.804</u>	<u>2.284</u>
15	<u>15.01</u>	<u>20.00</u>	<u>4</u>	<u>0.604</u>	<u>0.924</u>	<u>1.244</u>	<u>1.564</u>	<u>1.964</u>	<u>2.444</u>
16	<u>20.01</u>	<u>25.00</u>	<u>5</u>	<u>0.764</u>	<u>1.084</u>	<u>1.404</u>	<u>1.724</u>	<u>2.124</u>	<u>2.524</u>
17	<u>25.01</u>	<u>30.00</u>	<u>6</u>	<u>0.924</u>	<u>1.244</u>	<u>1.564</u>	<u>1.884</u>	<u>2.204</u>	<u>2.604</u>
18	<u>30.01</u>	<u>35.00</u>	<u>7</u>	<u>1.084</u>	<u>1.404</u>	<u>1.724</u>	<u>2.044</u>	<u>2.364</u>	<u>2.684</u>
19	<u>35.01</u>	<u>40.00</u>	<u>8</u>	<u>1.244</u>	<u>1.564</u>	<u>1.884</u>	<u>2.204</u>	<u>2.524</u>	<u>2.844</u>
20	<u>40.01</u>	<u>45.00</u>	<u>9</u>	<u>1.404</u>	<u>1.724</u>	<u>2.044</u>	<u>2.364</u>	<u>2.684</u>	<u>3.004</u>
21	<u>45.01</u>	<u>50.00</u>	<u>10</u>	<u>1.564</u>	<u>1.884</u>	<u>2.204</u>	<u>2.524</u>	<u>2.844</u>	<u>3.164</u>
22	<u>50.01</u>	<u>55.00</u>	<u>11</u>	<u>1.804</u>	<u>2.044</u>	<u>2.364</u>	<u>2.684</u>	<u>3.004</u>	<u>3.244</u>
23	<u>55.01</u>	<u>60.00</u>	<u>12</u>	<u>1.964</u>	<u>2.204</u>	<u>2.524</u>	<u>2.844</u>	<u>3.164</u>	<u>3.404</u>
24	<u>60.01</u>	<u>65.00</u>	<u>13</u>	<u>2.124</u>	<u>2.364</u>	<u>2.684</u>	<u>3.004</u>	<u>3.324</u>	<u>3.564</u>
25	<u>65.01</u>	<u>70.00</u>	<u>14</u>	<u>2.284</u>	<u>2.524</u>	<u>2.844</u>	<u>3.164</u>	<u>3.484</u>	<u>3.724</u>
26	<u>70.01</u>	<u>75.00</u>	<u>15</u>	<u>2.444</u>	<u>2.684</u>	<u>3.004</u>	<u>3.324</u>	<u>3.644</u>	<u>3.804</u>
27	<u>75.01</u>	<u>80.00</u>	<u>16</u>	<u>2.604</u>	<u>2.844</u>	<u>3.164</u>	<u>3.484</u>	<u>3.724</u>	<u>3.884</u>
28	<u>80.01</u>	<u>85.00</u>	<u>17</u>	<u>2.764</u>	<u>3.004</u>	<u>3.324</u>	<u>3.644</u>	<u>3.884</u>	<u>3.964</u>
29	<u>85.01</u>	<u>90.00</u>	<u>18</u>	<u>3.084</u>	<u>3.324</u>	<u>3.644</u>	<u>3.884</u>	<u>3.964</u>	<u>4.124</u>
30	<u>90.01</u>	<u>95.00</u>	<u>19</u>	<u>3.404</u>	<u>3.644</u>	<u>3.964</u>	<u>4.044</u>	<u>4.124</u>	<u>4.284</u>
31	<u>95.01</u>	<u>100.00</u>	<u>20</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>	<u>5.400</u>

32 For Rate Year 1998 and Beyond:

33 Percent of

34 Cumulative

35 Taxable Payrolls

Schedule of Contribution Rates for

Effective Tax Schedule

36 Rate

1	From	To	Class	A	B	C	D	E	F
2	<u>0.00</u>	<u>5.00</u>	<u>1</u>	<u>0.38</u>	<u>0.46</u>	<u>0.78</u>	<u>1.18</u>	<u>1.50</u>	<u>1.98</u>
3	<u>5.01</u>	<u>10.00</u>	<u>2</u>	<u>0.38</u>	<u>0.62</u>	<u>0.94</u>	<u>1.34</u>	<u>1.66</u>	<u>2.14</u>
4	<u>10.01</u>	<u>15.00</u>	<u>3</u>	<u>0.46</u>	<u>0.78</u>	<u>1.10</u>	<u>1.42</u>	<u>1.82</u>	<u>2.30</u>
5	<u>15.01</u>	<u>20.00</u>	<u>4</u>	<u>0.62</u>	<u>0.94</u>	<u>1.26</u>	<u>1.58</u>	<u>1.98</u>	<u>2.46</u>
6	<u>20.01</u>	<u>25.00</u>	<u>5</u>	<u>0.78</u>	<u>1.10</u>	<u>1.42</u>	<u>1.74</u>	<u>2.14</u>	<u>2.54</u>
7	<u>25.01</u>	<u>30.00</u>	<u>6</u>	<u>0.94</u>	<u>1.26</u>	<u>1.58</u>	<u>1.90</u>	<u>2.22</u>	<u>2.62</u>
8	<u>30.01</u>	<u>35.00</u>	<u>7</u>	<u>1.10</u>	<u>1.42</u>	<u>1.74</u>	<u>2.06</u>	<u>2.38</u>	<u>2.70</u>
9	<u>35.01</u>	<u>40.00</u>	<u>8</u>	<u>1.26</u>	<u>1.58</u>	<u>1.90</u>	<u>2.22</u>	<u>2.54</u>	<u>2.86</u>
10	<u>40.01</u>	<u>45.00</u>	<u>9</u>	<u>1.42</u>	<u>1.74</u>	<u>2.06</u>	<u>2.38</u>	<u>2.70</u>	<u>3.02</u>
11	<u>45.01</u>	<u>50.00</u>	<u>10</u>	<u>1.58</u>	<u>1.90</u>	<u>2.22</u>	<u>2.54</u>	<u>2.86</u>	<u>3.18</u>
12	<u>50.01</u>	<u>55.00</u>	<u>11</u>	<u>1.82</u>	<u>2.06</u>	<u>2.38</u>	<u>2.70</u>	<u>3.02</u>	<u>3.26</u>
13	<u>55.01</u>	<u>60.00</u>	<u>12</u>	<u>1.98</u>	<u>2.22</u>	<u>2.54</u>	<u>2.86</u>	<u>3.18</u>	<u>3.42</u>
14	<u>60.01</u>	<u>65.00</u>	<u>13</u>	<u>2.14</u>	<u>2.38</u>	<u>2.70</u>	<u>3.02</u>	<u>3.34</u>	<u>3.58</u>
15	<u>65.01</u>	<u>70.00</u>	<u>14</u>	<u>2.30</u>	<u>2.54</u>	<u>2.86</u>	<u>3.18</u>	<u>3.50</u>	<u>3.74</u>
16	<u>70.01</u>	<u>75.00</u>	<u>15</u>	<u>2.46</u>	<u>2.70</u>	<u>3.02</u>	<u>3.34</u>	<u>3.66</u>	<u>3.82</u>
17	<u>75.01</u>	<u>80.00</u>	<u>16</u>	<u>2.62</u>	<u>2.86</u>	<u>3.18</u>	<u>3.50</u>	<u>3.74</u>	<u>3.90</u>
18	<u>80.01</u>	<u>85.00</u>	<u>17</u>	<u>2.78</u>	<u>3.02</u>	<u>3.34</u>	<u>3.66</u>	<u>3.90</u>	<u>3.98</u>
19	<u>85.01</u>	<u>90.00</u>	<u>18</u>	<u>3.10</u>	<u>3.34</u>	<u>3.66</u>	<u>3.90</u>	<u>3.98</u>	<u>4.14</u>
20	<u>90.01</u>	<u>95.00</u>	<u>19</u>	<u>3.42</u>	<u>3.66</u>	<u>3.98</u>	<u>4.06</u>	<u>4.14</u>	<u>4.30</u>
21	<u>95.01</u>	<u>100.00</u>	<u>20</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>

22 ((+6)) (7) The contribution rate for each employer not qualified
23 to be in the array shall be as follows:

24 (a) Employers who do not meet the definition of "qualified
25 employer" by reason of failure to pay contributions when due shall be
26 assigned the contribution rate of (~~five and four tenths~~) four and
27 thirty-two one-hundredths percent, except employers who have an
28 approved agency-deferred payment contract by September 30 of the
29 previous rate year. If any employer with an approved agency-deferred
30 payment contract fails to make any one of the succeeding deferred
31 payments or fails to submit any succeeding tax report and payment in a
32 timely manner, the employer's tax rate shall immediately revert to
33 (~~five and four tenths~~) four and thirty-two one-hundredths percent for
34 the current rate year;

35 (b) The contribution rate for employers exempt as of December 31,
36 1989, who are newly covered under the section 78, chapter 380, Laws of
37 1989 amendment to RCW 50.04.150 and not yet qualified to be in the

1 array shall be ((2-5)) 2.0 percent for employers whose standard
2 industrial code is "013", "016", "017", "018", "019", "021", or "081";
3 and

4 (c) For all other employers not qualified to be in the array, the
5 contribution rate shall be a rate equal to the average industry rate as
6 determined by the commissioner; however, the rate may not be less than
7 one percent. Assignment of employers by the commissioner to industrial
8 classification, for purposes of this subsection, shall be in accordance
9 with established classification practices found in the "Standard
10 Industrial Classification Manual" issued by the federal office of
11 management and budget to the third digit provided in the Standard
12 Industrial Classification code.

13 **Sec. 13.** RCW 50.29.025 and 1993 c. s 12 (section 12 of this
14 act) are each amended to read as follows:

15 The contribution rate for each employer shall be determined under
16 this section.

17 (1) A fund balance ratio shall be determined by dividing the
18 balance in the unemployment compensation fund as of the June 30th
19 immediately preceding the rate year by the total remuneration paid by
20 all employers subject to contributions during the second calendar year
21 preceding the rate year and reported to the department by the following
22 March 31st. The division shall be carried to the fourth decimal place
23 with the remaining fraction, if any, disregarded. The fund balance
24 ratio shall be expressed as a percentage.

25 ~~(2) ((The fund balance ratio, expressed as a percentage, shall be
26 increased by 1.20 to determine the adjusted fund balance ratio.
27 However, the increase for rate years 1994 and 1995 shall be 0.00, for
28 rate year 1996 shall be 0.40, for rate year 1997 shall be 0.60, and for
29 rate year 1998 shall be 1.00.~~

30 ~~(3))~~ The interval of the ((adjusted)) fund balance ratio,
31 expressed as a percentage, shall determine which tax schedule in
32 subsection ((+6)) (5) of this section shall be in effect for assigning
33 tax rates for the rate year. The intervals for determining the
34 effective tax schedule shall be:

35	Interval of the	
36	Fund Balance Ratio	Effective
37	Expressed as a Percentage	Tax Schedule

1	3.40 and above	A
2	2.90 to 3.39	B
3	2.40 to 2.89	C
4	1.90 to 2.39	D
5	1.40 to 1.89	E
6	Less than 1.40	F

7 ~~((4))~~ (3) An array shall be prepared, listing all qualified
8 employers in ascending order of their benefit ratios. The array shall
9 show for each qualified employer: (a) Identification number; (b)
10 benefit ratio; (c) taxable payrolls for the four calendar quarters
11 immediately preceding the computation date and reported to the
12 department by the cut-off date; (d) a cumulative total of taxable
13 payrolls consisting of the employer's taxable payroll plus the taxable
14 payrolls of all other employers preceding him or her in the array; and
15 (e) the percentage equivalent of the cumulative total of taxable
16 payrolls.

17 ~~((5))~~ (4) Each employer in the array shall be assigned to one
18 of twenty rate classes according to the percentage intervals of
19 cumulative taxable payrolls set forth in subsection ~~((6))~~ (5) of this
20 section: PROVIDED, That if an employer's taxable payroll falls within
21 two or more rate classes, the employer and any other employer with the
22 same benefit ratio shall be assigned to the lowest rate class which
23 includes any portion of the employer's taxable payroll.

24 ~~((6))~~ (5) The contribution rate for each employer in the array
25 shall be the rate specified in the following table ~~((s))~~ for the rate
26 class to which he or she has been assigned, as determined under
27 subsection ~~((5))~~ (4) of this section, within the tax schedule which
28 is to be in effect during the ~~((specified))~~ rate year:

29 ~~((For Rate Year 1994:))~~

30	Percent of		Schedules of Contributions Rates						
31	Cumulative		for Effective Tax Schedule						
32	Taxable Payrolls								
33	Rate								
34	From	To	Class	A	B	C	D	E	F
35	((0.00	5.00	1	0.28	0.36	0.68	1.08	1.40	1.88
36	5.01	10.00	2	0.28	0.52	0.84	1.24	1.56	2.04

1	10.01	15.00	3	0.36	0.68	1.00	1.32	1.72	2.20
2	15.01	20.00	4	0.52	0.84	1.16	1.48	1.88	2.36
3	20.01	25.00	5	0.68	1.00	1.32	1.64	2.04	2.44
4	25.01	30.00	6	0.84	1.16	1.48	1.80	2.12	2.52
5	30.01	35.00	7	1.00	1.32	1.64	1.96	2.28	2.60
6	35.01	40.00	8	1.16	1.48	1.80	2.12	2.44	2.76
7	40.01	45.00	9	1.32	1.64	1.96	2.28	2.60	2.92
8	45.01	50.00	10	1.48	1.80	2.12	2.44	2.76	3.08
9	50.01	55.00	11	1.72	1.96	2.28	2.60	2.92	3.16
10	55.01	60.00	12	1.88	2.12	2.44	2.76	3.08	3.32
11	60.01	65.00	13	2.04	2.28	2.60	2.92	3.24	3.48
12	65.01	70.00	14	2.20	2.44	2.76	3.08	3.40	3.64
13	70.01	75.00	15	2.36	2.60	2.92	3.24	3.56	3.72
14	75.01	80.00	16	2.52	2.76	3.08	3.40	3.64	3.80
15	80.01	85.00	17	2.68	2.92	3.24	3.56	3.80	3.88
16	85.01	90.00	18	3.00	3.24	3.56	3.80	3.88	4.04
17	90.01	95.00	19	3.32	3.56	3.88	3.96	4.04	4.20
18	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40

19 — For Rate Year 1995:

20 Percent of

21 Cumulative Schedule of Contribution Rates for

22 Taxable Payrolls Effective Tax Schedule

23 Rate

24 From To Class A B C D E F

25	0.00	5.00	1	0.302	0.382	0.702	1.102	1.422	1.902
26	5.01	10.00	2	0.302	0.542	0.862	1.262	1.582	2.062
27	10.01	15.00	3	0.382	0.702	1.022	1.342	1.742	2.222
28	15.01	20.00	4	0.542	0.862	1.182	1.502	1.902	2.382
29	20.01	25.00	5	0.702	1.022	1.342	1.662	2.062	2.462
30	25.01	30.00	6	0.862	1.182	1.502	1.822	2.142	2.542
31	30.01	35.00	7	1.022	1.342	1.662	1.982	2.302	2.622
32	35.01	40.00	8	1.182	1.502	1.822	2.142	2.462	2.782
33	40.01	45.00	9	1.342	1.662	1.982	2.302	2.622	2.942
34	45.01	50.00	10	1.502	1.822	2.142	2.462	2.782	3.102
35	50.01	55.00	11	1.742	1.982	2.302	2.622	2.942	3.182
36	55.01	60.00	12	1.902	2.142	2.462	2.782	3.102	3.342
37	60.01	65.00	13	2.062	2.302	2.622	2.942	3.262	3.502

1	65.01	70.00	14	2.222	2.462	2.782	3.102	3.422	3.662
2	70.01	75.00	15	2.382	2.622	2.942	3.262	3.582	3.742
3	75.01	80.00	16	2.542	2.782	3.102	3.422	3.662	3.822
4	80.01	85.00	17	2.702	2.942	3.262	3.582	3.822	3.902
5	85.01	90.00	18	3.022	3.262	3.582	3.822	3.902	4.062
6	90.01	95.00	19	3.342	3.582	3.902	3.982	4.062	4.222
7	95.01	100.00	20	5.400	5.400	5.400	5.400	5.400	5.400

8 — For Rate Year 1996:

9 Percent of

10 Cumulative Schedule of Contribution Rates for
 11 Taxable Payrolls Effective Tax Schedule

12 Rate

13 From To Class A B C D E F

14	-0.00	5.00	1	0.33	0.41	0.73	1.13	1.45	1.93
15	-5.01	10.00	2	0.33	0.57	0.89	1.29	1.61	2.09
16	10.01	15.00	3	0.41	0.73	1.05	1.37	1.77	2.25
17	15.01	20.00	4	0.57	0.89	1.21	1.53	1.93	2.41
18	20.01	25.00	5	0.73	1.05	1.37	1.69	2.09	2.49
19	25.01	30.00	6	0.89	1.21	1.53	1.85	2.17	2.57
20	30.01	35.00	7	1.05	1.37	1.69	2.01	2.33	2.65
21	35.01	40.00	8	1.21	1.53	1.85	2.17	2.49	2.81
22	40.01	45.00	9	1.37	1.69	2.01	2.33	2.65	2.97
23	45.01	50.00	10	1.53	1.85	2.17	2.49	2.81	3.13
24	50.01	55.00	11	1.77	2.01	2.33	2.65	2.97	3.21
25	55.01	60.00	12	1.93	2.17	2.49	2.81	3.13	3.37
26	60.01	65.00	13	2.09	2.33	2.65	2.97	3.29	3.53
27	65.01	70.00	14	2.25	2.49	2.81	3.13	3.45	3.69
28	70.01	75.00	15	2.41	2.65	2.97	3.29	3.61	3.77
29	75.01	80.00	16	2.57	2.81	3.13	3.45	3.69	3.85
30	80.01	85.00	17	2.73	2.97	3.29	3.61	3.85	3.93
31	85.01	90.00	18	3.05	3.29	3.61	3.85	3.93	4.09
32	90.01	95.00	19	3.37	3.61	3.93	4.01	4.09	4.25
33	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40

34 — For Rate Year 1997:

35 Percent of

36 Cumulative Schedule of Contribution Rates for

Taxable Payrolls			Effective Tax Schedule						
			Rate						
From	To	Class	A	B	C	D	E	F	
4	0.00	5.00	1	0.364	0.444	0.764	1.164	1.484	1.964
5	5.01	10.00	2	0.364	0.604	0.924	1.324	1.644	2.124
6	10.01	15.00	3	0.444	0.764	1.084	1.404	1.804	2.284
7	15.01	20.00	4	0.604	0.924	1.244	1.564	1.964	2.444
8	20.01	25.00	5	0.764	1.084	1.404	1.724	2.124	2.524
9	25.01	30.00	6	0.924	1.244	1.564	1.884	2.204	2.604
10	30.01	35.00	7	1.084	1.404	1.724	2.044	2.364	2.684
11	35.01	40.00	8	1.244	1.564	1.884	2.204	2.524	2.844
12	40.01	45.00	9	1.404	1.724	2.044	2.364	2.684	3.004
13	45.01	50.00	10	1.564	1.884	2.204	2.524	2.844	3.164
14	50.01	55.00	11	1.804	2.044	2.364	2.684	3.004	3.244
15	55.01	60.00	12	1.964	2.204	2.524	2.844	3.164	3.404
16	60.01	65.00	13	2.124	2.364	2.684	3.004	3.324	3.564
17	65.01	70.00	14	2.284	2.524	2.844	3.164	3.484	3.724
18	70.01	75.00	15	2.444	2.684	3.004	3.324	3.644	3.804
19	75.01	80.00	16	2.604	2.844	3.164	3.484	3.724	3.884
20	80.01	85.00	17	2.764	3.004	3.324	3.644	3.884	3.964
21	85.01	90.00	18	3.084	3.324	3.644	3.884	3.964	4.124
22	90.01	95.00	19	3.404	3.644	3.964	4.044	4.124	4.284
23	95.01	100.00	20	5.400	5.400	5.400	5.400	5.400	5.400

24 — For Rate Year 1998 and Beyond:

Percent of			Schedule of Contribution Rates for						
Cumulative			Taxable Payrolls						
			Effective Tax Schedule						
			Rate						
From	To	Class	A	B	C	D	E	F	
30	0.00	5.00	1	0.38	0.46	0.78	1.18	1.50	1.98
31	5.01	10.00	2	0.38	0.62	0.94	1.34	1.66	2.14
32	10.01	15.00	3	0.46	0.78	1.10	1.42	1.82	2.30
33	15.01	20.00	4	0.62	0.94	1.26	1.58	1.98	2.46
34	20.01	25.00	5	0.78	1.10	1.42	1.74	2.14	2.54
35	25.01	30.00	6	0.94	1.26	1.58	1.90	2.22	2.62
36	30.01	35.00	7	1.10	1.42	1.74	2.06	2.38	2.70

1	35.01	40.00	8	1.26	1.58	1.90	2.22	2.54	2.86
2	40.01	45.00	9	1.42	1.74	2.06	2.38	2.70	3.02
3	45.01	50.00	10	1.58	1.90	2.22	2.54	2.86	3.18
4	50.01	55.00	11	1.82	2.06	2.38	2.70	3.02	3.26
5	55.01	60.00	12	1.98	2.22	2.54	2.86	3.18	3.42
6	60.01	65.00	13	2.14	2.38	2.70	3.02	3.34	3.58
7	65.01	70.00	14	2.30	2.54	2.86	3.18	3.50	3.74
8	70.01	75.00	15	2.46	2.70	3.02	3.34	3.66	3.82
9	75.01	80.00	16	2.62	2.86	3.18	3.50	3.74	3.90
10	80.01	85.00	17	2.78	3.02	3.34	3.66	3.90	3.98
11	85.01	90.00	18	3.10	3.34	3.66	3.90	3.98	4.14
12	90.01	95.00	19	3.42	3.66	3.98	4.06	4.14	4.30
13	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40

14 (7))

15	0.00	5.00	1	0.48	0.58	0.98	1.48	1.88	2.48
16	5.01	10.00	2	0.48	0.78	1.18	1.68	2.08	2.68
17	10.01	15.00	3	0.58	0.98	1.38	1.78	2.28	2.88
18	15.01	20.00	4	0.78	1.18	1.58	1.98	2.48	3.08
19	20.01	25.00	5	0.98	1.38	1.78	2.18	2.68	3.18
20	25.01	30.00	6	1.18	1.58	1.98	2.38	2.78	3.28
21	30.01	35.00	7	1.38	1.78	2.18	2.58	2.98	3.38
22	35.01	40.00	8	1.58	1.98	2.38	2.78	3.18	3.58
23	40.01	45.00	9	1.78	2.18	2.58	2.98	3.38	3.78
24	45.01	50.00	10	1.98	2.38	2.78	3.18	3.58	3.98
25	50.01	55.00	11	2.28	2.58	2.98	3.38	3.78	4.08
26	55.01	60.00	12	2.48	2.78	3.18	3.58	3.98	4.28
27	60.01	65.00	13	2.68	2.98	3.38	3.78	4.18	4.48
28	65.01	70.00	14	2.88	3.18	3.58	3.98	4.38	4.68
29	70.01	75.00	15	3.08	3.38	3.78	4.18	4.58	4.78
30	75.01	80.00	16	3.28	3.58	3.98	4.38	4.68	4.88
31	80.01	85.00	17	3.48	3.78	4.18	4.58	4.88	4.98
32	85.01	90.00	18	3.88	4.18	4.58	4.88	4.98	5.18
33	90.01	95.00	19	4.28	4.58	4.98	5.08	5.18	5.38
34	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40

35 (6) The contribution rate for each employer not qualified to be
36 in the array shall be as follows:

37 (a) Employers who do not meet the definition of "qualified
38 employer" by reason of failure to pay contributions when due shall be
39 assigned the contribution rate of ((four and thirty two one

1 ~~hundredths~~) five and four-tenths percent, except employers who have an
2 approved agency-deferred payment contract by September 30 of the
3 previous rate year. If any employer with an approved agency-deferred
4 payment contract fails to make any one of the succeeding deferred
5 payments or fails to submit any succeeding tax report and payment in a
6 timely manner, the employer's tax rate shall immediately revert to
7 (~~four and thirty two one hundredths~~) five and four-tenths percent for
8 the current rate year;

9 (b) The contribution rate for employers exempt as of December 31,
10 1989, who are newly covered under the section 78, chapter 380, Laws of
11 1989 amendment to RCW 50.04.150 and not yet qualified to be in the
12 array shall be (~~2.0~~) 2.5 percent for employers whose standard
13 industrial code is "013", "016", "017", "018", "019", "021", or "081";
14 and

15 (c) For all other employers not qualified to be in the array, the
16 contribution rate shall be a rate equal to the average industry rate as
17 determined by the commissioner; however, the rate may not be less than
18 one percent. Assignment of employers by the commissioner to industrial
19 classification, for purposes of this subsection, shall be in accordance
20 with established classification practices found in the "Standard
21 Industrial Classification Manual" issued by the federal office of
22 management and budget to the third digit provided in the Standard
23 Industrial Classification code.

24 NEW SECTION. Sec. 14. A new section is added to chapter 50.29
25 RCW to read as follows:

26 For the purpose of simplification of employer reports, the
27 "combined contribution rate" shall be used in the calculation of
28 employer taxes. The combined contribution rate shall include the
29 regular contribution rate as determined under RCW 50.29.025, the
30 Washington benefit reserve trust fund contribution rate as determined
31 under section 7 of this act, employment and training trust fund
32 contributions as determined under section 3 of this act, and special
33 contributions required under RCW 50.24.014. A mention of the "combined
34 contribution rate" may not be made on a tax form or publication unless
35 the form or publication specifically identifies the specific
36 contributions. The combined contribution rate may not be quoted on a
37 form unless the specific component rates are also quoted. The sole
38 purpose of the combined contribution rate is to allow an employer to

1 perform a single calculation on a tax return rather than four separate
2 calculations.

3 NEW SECTION. **Sec. 15.** A new section is added to chapter 28C.18
4 RCW to read as follows:

5 (1) The board shall conduct an annual evaluation of: (a) The
6 performance of the employment security department and the state board
7 for community and technical colleges in carrying out the purposes of
8 chapter . . . , Laws of 1993 (this act); (b) the outcomes of the
9 services provided by the employment security department and the state
10 board for community and technical colleges under chapter . . . , Laws of
11 1993 (this act); and (c) the long-term impact of the services provided
12 by the employment security department and the state board for community
13 and technical colleges under chapter . . . , Laws of 1993 (this act) on
14 service recipients. The board shall give the first annual evaluation
15 to the appropriate standing committees of the legislature by January 1,
16 1995.

17 (2) The employment security department shall report to the board
18 by September 1, 1994, and every year thereafter, on the status of the
19 programs provided in chapter . . . , Laws of 1993 (this act) and the
20 resulting outcomes. The employment security department shall include
21 in its report quantitative and demographic information on job orders,
22 placement referrals, individualized training plans, skill assessments,
23 and other interventions carried out as a result of chapter . . . , Laws
24 of 1993 (this act), as well as any other information requested by the
25 board.

26 (3) The state board for community and technical colleges shall
27 report to the board by September 1, 1994, and every year thereafter,
28 the number of certified student full-time equivalents receiving
29 training as provided in chapter . . . , Laws of 1993 (this act). In
30 addition, the report must include information on the outcomes of the
31 provided training, indices of placement rates, student demographics,
32 training plan completion rates, and comparisons of preprogram and
33 postprogram wage levels for those trained as a result of chapter . . . ,
34 Laws of 1993 (this act), as well as any other information requested by
35 the board.

36 NEW SECTION. **Sec. 16.** The sum of twenty-six million dollars, or
37 as much thereof as may be necessary, is appropriated from the

1 employment and training trust fund to the state board for community and
2 technical colleges for the biennium ending June 30, 1995, to carry out
3 training and related support services under this act. Of the amount
4 appropriated by this section, twenty-three million three hundred
5 thousand dollars shall provide for training enrollments, two million
6 dollars shall provide for child care for dependents of individuals
7 being trained under this section, and seven hundred thousand dollars
8 shall provide for transportation costs to individuals being trained
9 under this act.

10 NEW SECTION. **Sec. 17.** The sum of twelve million nine hundred
11 thousand dollars, or as much thereof as may be necessary, is
12 appropriated from the employment and training trust fund to the
13 employment security department for the biennium ending June 30, 1995,
14 to carry out the purposes of section 4 of this act.

15 NEW SECTION. **Sec. 18.** To the extent that available funding from
16 the employment and training trust fund is not sufficient to provide the
17 appropriations in sections 16 and 17 of this act, the available funds
18 shall be appropriated to the state board for community and technical
19 colleges and the employment security department in the same ratio as
20 funds are appropriated in sections 16 and 17 of this act.

21 NEW SECTION. **Sec. 19.** Sections 1 through 8, 10, 12, 14, and 15
22 of this act shall expire June 30, 1997.

23 NEW SECTION. **Sec. 20.** Sections 9, 11, and 13 of this act shall
24 take effect June 30, 1997.

25 NEW SECTION. **Sec. 21.** If any part of this act is found to be
26 in conflict with federal requirements that are a prescribed condition
27 to the allocation of federal funds to the state or the eligibility of
28 employers in this state for federal unemployment tax credits, the
29 conflicting part of this act is hereby declared to be inoperative
30 solely to the extent of the conflict, and such finding or determination
31 shall not affect the operation of the remainder of this act. The rules
32 under this act shall meet federal requirements that are a necessary
33 condition to the receipt of federal funds by the state or the granting
34 of federal unemployment tax credits to employers in this state.

1 NEW SECTION. **Sec. 22.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

5 NEW SECTION. **Sec. 23.** This act applies to tax rate years
6 beginning with tax rate year 1994.

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