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**SUBSTITUTE SENATE BILL 5731**

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**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** Senate Committee on Labor & Commerce (originally sponsored by Senators Fraser, Moore, Amondson and Prince)

Read first time 03/03/93.

1 AN ACT Relating to unemployment compensation deductions for social  
2 security pensions; amending RCW 50.04.323; creating a new section;  
3 providing an effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 50.04.323 and 1983 1st ex.s. c 23 s 7 are each amended  
6 to read as follows:

7 (1) The amount of benefits payable to an individual for any week  
8 which begins after October 3, 1980, and which begins in a period with  
9 respect to which such individual is receiving a governmental or other  
10 pension, retirement or retired pay, annuity, or any other similar  
11 periodic payment which is based on the previous work of such individual  
12 shall be reduced (but not below zero) by an amount equal to the amount  
13 of such pension, retirement or retired pay, annuity, or other payment,  
14 which is reasonably attributable to such week(~~(: PROVIDED, That)~~).  
15 However:

16 (a) The requirements of this subsection shall apply to any pension,  
17 retirement or retired pay, annuity, or other similar periodic payment  
18 only if--

1 (i) Such pension, retirement or retired pay, annuity, or similar  
2 payment is under a plan maintained (or contributed to) by a base period  
3 employer; and

4 (ii) In the case of such a payment not made under the Social  
5 Security Act or the Railroad Retirement Act of 1974 (or corresponding  
6 provisions of prior law), services performed for such employer by the  
7 individual after the beginning of the base period (or remuneration for  
8 such services) affect eligibility for, or increase the amount of, such  
9 pension, retirement or retired pay, annuity, or similar payment;  
10 ((and))

11 (b) The amount of any such a reduction shall take into account  
12 contributions made by the individual for the pension, retirement or  
13 retired pay, annuity, or other similar periodic payment, in accordance  
14 with regulations prescribed by the commissioner; and

15 (c) No deduction shall be made from the amount of benefits payable  
16 for a week for individuals receiving federal social security pensions  
17 to take into account the individuals' contributions to the pension  
18 program.

19 (2) In the event that a retroactive pension or retirement payment  
20 covers a period in which an individual received benefits under the  
21 provisions of this title, the amount in excess of the amount to which  
22 such individual would have been entitled had such retirement or pension  
23 payment been considered as provided in this section shall be  
24 recoverable under RCW 50.20.190.

25 (3) A lump sum payment accumulated in a plan described in this  
26 section paid to an individual eligible for such payment shall be  
27 prorated over the life expectancy of the individual computed in  
28 accordance with the commissioner's regulation.

29 (4) The resulting weekly benefit amount payable after reduction  
30 under this section, if not a multiple of one dollar, shall be reduced  
31 to the next lower multiple of one dollar.

32 (5) Any ambiguity in subsection (1) of this section should be  
33 construed in a manner consistent with 26 U.S.C. Sec. 3304 (a)(15) as  
34 last amended by P.L. 96-364.

35 NEW SECTION. **Sec. 2.** If any part of this act is found to be in  
36 conflict with federal requirements which are a prescribed condition to  
37 the allocation of federal funds to the state or the eligibility of  
38 employers in this state for federal unemployment tax credits, the

1 conflicting part of this act is hereby declared to be inoperative  
2 solely to the extent of the conflict, and the finding or determination  
3 shall not affect the operation of the remainder of this act. The rules  
4 under this act shall meet federal requirements that are a necessary  
5 condition to the receipt of federal funds by the state or the granting  
6 of federal unemployment tax credits to employers in this state.

7       NEW SECTION.   **Sec. 3.** This act is necessary for the immediate  
8 preservation of the public peace, health, or safety, or support of the  
9 state government and its existing public institutions, and shall take  
10 effect July 7, 1993, for weeks of unemployment beginning on or after  
11 July 7, 1993.

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