

CERTIFICATION OF ENROLLMENT

SENATE BILL 5584

Chapter 57, Laws of 1995

54th Legislature
1995 Regular Session

Unemployment compensation--Noncharging of benefits to
experience rating accounts

EFFECTIVE DATE: 4/17/95

Passed by the Senate March 3, 1995
YEAS 48 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House April 5, 1995
YEAS 96 NAYS 0

CLYDE BALLARD

**Speaker of the
House of Representatives**

Approved April 17, 1995

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the
Senate of the State of Washington,
do hereby certify that the attached
is **SENATE BILL 5584** as passed by the
Senate and the House of
Representatives on the dates hereon
set forth.

MARTY BROWN

Secretary

FILED

April 17, 1995 - 3:57 p.m.

**Secretary of State
State of Washington**

SENATE BILL 5584

Passed Legislature - 1995 Regular Session

State of Washington

54th Legislature

1995 Regular Session

By Senators Newhouse, Deccio, Hale, Palmer, Franklin, Pelz, Fraser, Prentice, Prince and Winsley; by request of Joint Task Force on Unemployment Insurance

Read first time 01/27/95. Referred to Committee on Labor, Commerce & Trade.

1 AN ACT Relating to noncharging of benefits to employers'
2 unemployment insurance experience rating accounts; amending RCW
3 50.16.094, 50.22.090, and 50.29.020; creating a new section; and
4 declaring an emergency.

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

6 **Sec. 1.** RCW 50.16.094 and 1993 c 226 s 6 are each amended to read
7 as follows:

8 An individual may be eligible for applicable employment security
9 benefits while participating in work force training. Eligibility is at
10 the discretion of the commissioner of employment security after
11 submitting a commissioner-approved training waiver and developing a
12 detailed individualized training plan.

13 ~~((Benefits paid under this section may not be charged to the
14 experience rating accounts of individual employers.))~~

15 The commissioner shall adopt rules as necessary to implement this
16 section.

17 **Sec. 2.** RCW 50.22.090 and 1993 c 316 s 10 are each amended to read
18 as follows:

1 (1) An additional benefit period is established for counties
2 identified under subsection (2) of this section beginning on the first
3 Sunday after July 1, 1991, and for the forest products industry
4 beginning with the third week after the first Sunday after July 1,
5 1991. Benefits shall be paid as provided in subsection (3) of this
6 section to exhaustees eligible under subsection (4) of this section.

7 (2) The additional benefit period applies to counties having a
8 population of less than five hundred thousand beginning with the third
9 week after a week in which the commissioner determines that a county
10 meets two of the following three criteria, as determined by the
11 department, for the most recent year in which such data is available:

12 (a) A lumber and wood products employment location quotient at or above
13 the state average; (b) projected or actual direct lumber and wood
14 products job losses of one hundred positions or more, except counties
15 having a population greater than two hundred thousand but less than
16 five hundred thousand must have direct lumber and wood products job
17 losses of one thousand positions or more; or (c) an annual unemployment
18 rate twenty percent or more above the state average. The additional
19 benefit period for a county may end no sooner than fifty-two weeks
20 after the additional benefit period begins.

21 (3) Additional benefits shall be paid as follows:

22 (a) No new claims for additional benefits shall be accepted for
23 weeks beginning after July 1, 1995, but for claims established on or
24 before July 1, 1995, weeks of unemployment occurring after July 1,
25 1995, shall be compensated as provided in this section.

26 (b) The total additional benefit amount shall be one hundred four
27 times the individual's weekly benefit amount, reduced by the total
28 amount of regular benefits and extended benefits paid, or deemed paid,
29 with respect to the benefit year. Additional benefits shall not be
30 payable for weeks more than two years beyond the end of the benefit
31 year of the regular claim for an individual whose benefit year ends on
32 or after July 27, 1991, and shall not be payable for weeks ending on or
33 after two years after March 26, 1992, for individuals who become
34 eligible as a result of chapter 47, Laws of 1992.

35 (c) Notwithstanding the provisions of (b) of this subsection,
36 individuals will be entitled to up to five additional weeks of benefits
37 following the completion or termination of training.

38 (d) The weekly benefit amount shall be calculated as specified in
39 RCW 50.22.040.

1 (e) Benefits paid under this section shall be paid under the same
2 terms and conditions as regular benefits (~~and shall not be charged to~~
3 ~~the experience rating account of individual employers~~). The
4 additional benefit period shall be suspended with the start of an
5 extended benefit period, or any totally federally funded benefit
6 program, with eligibility criteria and benefits comparable to the
7 program established by this section, and shall resume the first week
8 following the end of the federal program.

9 (f) The amendments in chapter 316, Laws of 1993 affecting
10 subsection (3) (b) and (c) of this section shall apply in the case of
11 all individuals determined to be monetarily eligible under this section
12 without regard to the date eligibility was determined.

13 (4) An additional benefit eligibility period is established for any
14 exhaustee who:

15 (a)(i) At the time of last separation from employment, resided in
16 or was employed in a county identified under subsection (2) of this
17 section; or

18 (ii) During his or her base year, earned wages in at least six
19 hundred eighty hours in the forest products industry, which shall be
20 determined by the department but shall include the industries assigned
21 the major group standard industrial classification codes "24" and "26"
22 and the industries involved in the harvesting and management of logs,
23 transportation of logs and wood products, processing of wood products,
24 and the manufacturing and distribution of wood processing and logging
25 equipment. The commissioner may adopt rules further interpreting the
26 industries covered under this subsection. For the purposes of this
27 subsection, "standard industrial classification code" means the code
28 identified in RCW 50.29.025(6)(c); and

29 (b)(i) Has received notice of termination or layoff; and

30 (ii) Is unlikely to return to employment in his or her principal
31 occupation or previous industry because of a diminishing demand within
32 his or her labor market for his or her skills in the occupation or
33 industry; and

34 (c)(i)(A) Is notified by the department of the requirements of this
35 section and develops an individual training program that is submitted
36 to the commissioner for approval not later than sixty days after the
37 individual is notified of the requirements of this section, and enters
38 the approved training program not later than ninety days after the date
39 of the individual's termination or layoff, or ninety days after July 1,

1 1991, whichever is later, unless the department determines that the
2 training is not available during the ninety-day period, in which case
3 the individual shall enter training as soon as it is available; or

4 (B) Is unemployed as the result of a plant closure that occurs
5 after November 1, 1992, in a county identified under subsection (2) of
6 this section, did not comply with the requirements of (c)(i)(A) of this
7 subsection due to good cause as demonstrated to the department, such as
8 ambiguity over possible sale of the plant, develops a training program
9 that is submitted to the commissioner for approval not later than sixty
10 days from a date determined by the department to accommodate the good
11 cause, and enters the approved training program not later than ninety
12 days after the revised date established by the department, unless the
13 department determines that the training is not available during the
14 ninety-day period, in which case the individual shall enter training as
15 soon as it is available; or

16 (ii) Is enrolled in training approved under this section on a full-
17 time basis and maintains satisfactory progress in the training; and

18 (d) Does not receive a training allowance or stipend under the
19 provisions of any federal or state law.

20 (5) For the purposes of this section:

21 (a) "Training program" means:

22 (i) A remedial education program determined to be necessary after
23 counseling at the educational institution in which the individual
24 enrolls pursuant to his or her approved training program; or

25 (ii) A vocational training program at an educational institution
26 that:

27 (A) Is training for a labor demand occupation;

28 (B) Is likely to facilitate a substantial enhancement of the
29 individual's marketable skills and earning power; and

30 (C) Does not include on-the-job training or other training under
31 which the individual is paid by an employer for work performed by the
32 individual during the time that the individual receives additional
33 benefits under subsection (1) of this section.

34 (b) "Educational institution" means an institution of higher
35 education as defined in RCW 28B.10.016 or an educational institution as
36 defined in RCW 28C.04.410(3).

37 (c) "Training allowance or stipend" means discretionary use, cash-
38 in-hand payments available to the individual to be used as the

1 individual sees fit, but does not mean direct or indirect compensation
2 for training costs, such as tuition or books and supplies.

3 (6) The commissioner shall adopt rules as necessary to implement
4 this section.

5 (7) For the purpose of this section, an individual who has a
6 benefit year beginning after January 1, 1989, and ending before July
7 27, 1991, shall be treated as if his or her benefit year ended on July
8 27, 1991.

9 **Sec. 3.** RCW 50.29.020 and 1993 c 483 s 19 are each amended to read
10 as follows:

11 (1) An experience rating account shall be established and
12 maintained for each employer, except employers as described in RCW
13 50.44.010 and 50.44.030 who have properly elected to make payments in
14 lieu of contributions, taxable local government employers as described
15 in RCW 50.44.035, and those employers who are required to make payments
16 in lieu of contributions, based on existing records of the employment
17 security department. Benefits paid to any eligible individuals shall
18 be charged to the experience rating accounts of each of such
19 individual's employers during the individual's base year in the same
20 ratio that the wages paid by each employer to the individual during the
21 base year bear to the wages paid by all employers to that individual
22 during that base year, except as otherwise provided in this section.

23 (2) The legislature finds that certain benefit payments, in whole
24 or in part, should not be charged to the experience rating accounts of
25 employers except those employers described in RCW 50.44.010 and
26 50.44.030 who have properly elected to make payments in lieu of
27 contributions, taxable local government employers described in RCW
28 50.44.035, and those employers who are required to make payments in
29 lieu of contributions, as follows:

30 (a) Benefits paid to any individuals later determined to be
31 ineligible shall not be charged to the experience rating account of any
32 contribution paying employer.

33 (b) ~~((Benefits paid to an individual under the provisions of RCW
34 50.12.050 shall not be charged to the account of any contribution
35 paying employer if the wage credits earned in this state by the
36 individual during his or her base year are less than the minimum amount
37 necessary to qualify the individual for unemployment benefits.~~

1 ~~(e)~~) Benefits paid to an individual filing under the provisions of
2 chapter 50.06 RCW shall not be charged to the experience rating account
3 of any contribution paying employer only if:

4 (i) The individual files under RCW 50.06.020(1) after receiving
5 crime victims' compensation for a disability resulting from a nonwork-
6 related occurrence; or

7 (ii) The individual files under RCW 50.06.020(2).

8 ~~((d))~~ (c) Benefits paid which represent the state's share of
9 benefits payable under chapter 50.22 RCW shall not be charged to the
10 experience rating account of any contribution paying employer.

11 ~~((e))~~ (d) In the case of individuals who requalify for benefits
12 under RCW 50.20.050 or 50.20.060, benefits based on wage credits earned
13 prior to the disqualifying separation shall not be charged to the
14 experience rating account of the contribution paying employer from whom
15 that separation took place.

16 ~~((f))~~ (e) In the case of individuals identified under RCW
17 50.20.015, benefits paid with respect to a calendar quarter, which
18 exceed the total amount of wages earned in the state of Washington in
19 the higher of two corresponding calendar quarters included within the
20 individual's determination period, as defined in RCW 50.20.015, shall
21 not be charged to the experience rating account of any contribution
22 paying employer.

23 ~~((g) Benefits paid to an individual who does not successfully~~
24 ~~complete an approved on the job training program under RCW 50.12.240~~
25 ~~may not be charged to the experience rating account of the~~
26 ~~contribution paying employer who provided the approved on the job~~
27 ~~training.))~~

28 (3)(a) Beginning July 1, 1985, a contribution-paying base year
29 employer, not otherwise eligible for relief of charges for benefits
30 under this section, may receive such relief if the benefit charges
31 result from payment to an individual who:

32 (i) Last left the employ of such employer voluntarily for reasons
33 not attributable to the employer;

34 (ii) Was discharged for misconduct connected with his or her work
35 not a result of inability to meet the minimum job requirements;

36 (iii) Is unemployed as a result of closure or severe curtailment of
37 operation at the employer's plant, building, work site, or other
38 facility. This closure must be for reasons directly attributable to a

1 catastrophic occurrence such as fire, flood, or other natural disaster;
2 or

3 (iv) Continues to be employed on a regularly scheduled permanent
4 part-time basis by a base year employer and who at some time during the
5 base year was concurrently employed and subsequently separated from at
6 least one other base year employer. Benefit charge relief ceases when
7 the employment relationship between the employer requesting relief and
8 the claimant is terminated. This subsection does not apply to shared
9 work employers under chapter 50.60 RCW.

10 (b) The employer requesting relief of charges under this subsection
11 must request relief in writing within thirty days following mailing to
12 the last known address of the notification of the valid initial
13 determination of such claim, stating the date and reason for the
14 separation or the circumstances of continued employment. The
15 commissioner, upon investigation of the request, shall determine
16 whether relief should be granted.

17 NEW SECTION. **Sec. 4.** This act applies only to benefit charges
18 attributable to new claims effective after July 1, 1995.

19 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
20 preservation of the public peace, health, or safety, or support of the
21 state government and its existing public institutions, and shall take
22 effect immediately.

Passed the Senate March 3, 1995.

Passed the House April 5, 1995.

Approved by the Governor April 17, 1995.

Filed in Office of Secretary of State April 17, 1995.

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