

SENATE BILL REPORT

HB 2385

AS REPORTED BY COMMITTEE ON COMMERCE & LABOR, FEBRUARY 28, 1992

**Brief Description:** Providing for unemployment compensation benefits.

**SPONSORS:** Representatives Heavey, Fuhrman, Orr, Jones, G. Cole, Franklin, Brumsickle, O'Brien, Lisk, Paris, Wineberry, Chandler, J. Kohl and Mitchell; by request of Employment Security Department

HOUSE COMMITTEE ON COMMERCE & LABOR

SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass.

Signed by Senators Matson, Chairman; Anderson, Vice Chairman; Bluechel, McMullen, Moore, Murray, and Skratek.

**Staff:** Jonathan Seib (786-7427)

**Hearing Dates:** February 28, 1992

**BACKGROUND:**

Unemployment compensation benefits are subject to a number of limitations, including requirements for deductions because of social security pensions and part-time earnings, and residency requirements for aliens.

Social security pension deductions. An unemployment compensation claimant's benefits are reduced by 50 percent of the amount of the federal social security retirement pension that the claimant receives. Although federal law requires that most pensions based on prior employment be deducted from unemployment benefits, it no longer requires any deduction for social security pensions.

Deductions for part-time earnings. Claimants eligible for unemployment compensation are permitted to take temporary part-time work. The first \$5 earned in a week is disregarded in computing benefits. However, if the claimant earns more than \$5 during any week, the claimant's weekly unemployment benefit is reduced by 75 percent of the earnings over \$5.

Qualifications for alien claimants. In Washington, an alien is eligible for unemployment compensation benefits if the person has been lawfully admitted to the United States for permanent residence, was lawfully present for performing the services, or is otherwise residing in the United States under color of law. A new federal law addressing alien eligibility requires aliens to be lawfully admitted for permanent residence or otherwise residing under color of law, or

lawfully present for performing services, at the time the services were performed.

**SUMMARY:**

Social security pension deductions. To take into account an unemployment insurance claimant's contribution to the social security pension program, no deduction will be made from unemployment compensation benefits because of the claimant's federal social security pension.

Deductions for part-time earnings. The amount of a claimant's weekly earnings that will be disregarded for purposes of computing the claimant's unemployment compensation benefits is raised from \$5 to \$25.

Qualifications for alien claimants. The alien residency requirements are amended to clarify that an alien may receive unemployment compensation benefits only if the alien was lawfully admitted for permanent residence or permanently residing in the United States under color of law, or lawfully present for performing services, at the time the services were performed.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

The bill makes needed updates in the unemployment insurance laws to reflect changing federal laws and a changing workforce. Some concerns remain, but an attempt to address those will be made as the bill moves through the process.

**TESTIMONY AGAINST:** None

**TESTIFIED:** PRO: Graeme Sackrison, Employment Security Department; Robert Jacobson, Senior Citizens Lobby; Jeff Johnson, Washington State Labor Council; Clif Finch, Association of Washington Business