
SECOND SUBSTITUTE SENATE BILL 5203

State of Washington

53rd Legislature

1993 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Skratek, Gaspard and Sheldon)

Read first time 03/08/93.

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; providing an effective date;
6 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. Moneys in the
3 fund shall be spent only after appropriation. This fund shall consist
4 of contributions payable by each employer described under RCW 50.04.080
5 for any calendar quarter that begins on or after January 1, 1994,
6 except employers as described by RCW 50.44.010 and 50.44.030 who have
7 properly elected to make payments in lieu of contributions, employers
8 who are required to make payments in lieu of contributions, and
9 employers paying contributions under RCW 50.44.035. The amount of
10 wages subject to contributions shall be determined according to RCW
11 50.24.010. The tax rate applicable to wages paid during the calendar
12 quarter shall be determined under section 7 of this act.

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

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

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

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

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

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

1 reserve trust fund must be transferred immediately into the
2 unemployment insurance trust fund.

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

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

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

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

- 1 (1) Providing training and related support services to individuals
2 who have been terminated or have received a notice of termination from
3 employment, and who are eligible for or have exhausted their
4 entitlement to unemployment compensation benefits within the previous
5 twenty-four months;
- 6 (2) Maintaining and improving quality of unemployment insurance
7 service;
- 8 (3) Assisting workers in finding employment through job referral,
9 job development, counseling, and referral to training resources;
- 10 (4) Providing access to services in locations remote from permanent
11 office locations;
- 12 (5) Maintaining and improving service delivery to speed appropriate
13 payment of unemployment insurance benefits;
- 14 (6) Obtaining labor market information necessary for the
15 administration of the unemployment insurance program and to assist
16 unemployed workers in finding employment;
- 17 (7) Performing research to determine effectiveness of unemployment
18 insurance programs and to determine whether program changes would
19 benefit workers and employers;
- 20 (8) Collecting contributions for the benefit reserve trust fund and
21 the employment and training trust fund;
- 22 (9) Providing related services for the benefit of individuals
23 eligible for programs administered by the employment security
24 department; and
- 25 (10) Improving service through improved use of information
26 technology.

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

- 36 (1) Are consistent with work force training priorities and based
37 upon the comprehensive plan for work force training developed by the
38 work force training and education coordinating board. The state board

1 for community and technical colleges shall develop a plan for use and
2 evaluation of these funds which is to be approved by the work force
3 training and education coordinating board for consistency with their
4 work force priorities. Further, the state board for community and
5 technical colleges shall report to the work force training and
6 education coordinating board and the legislature annually on the
7 progress and results of the training and support services provided to
8 eligible participants;

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

17 (3) Provide increased enrollments and support services that do not
18 replace or supplant any existing enrollments, programs, support
19 services, or funding sources.

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

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

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

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

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

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

5 (2) The Washington benefit reserve trust fund contribution rate for
6 an employer shall be the rate specified in the following table for the
7 rate class to which the employer has been assigned, as determined under
8 RCW 50.29.025(5) within the tax schedule which is to be in effect
9 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	

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

1 (a) An employer who does not meet the definition of "qualified
2 employer" by reason of failure to pay contributions when due shall be
3 assigned the contribution rate of one and eight one-hundredths percent,
4 except employers who have an approved agency-deferred payment contract
5 by September 30 of the previous rate year. If an employer with an
6 approved agency-deferred payment contract fails to make one of the
7 succeeding deferred payments or fails to submit a succeeding tax report
8 and payment in a timely manner, the employer's tax rate shall
9 immediately revert to one and eight one-hundredths percent for the
10 current rate year;

11 (b) The contribution rate for employers exempt as of December 31,
12 1989, who are newly covered under the section 78, chapter 380, Laws of
13 1989 amendment to RCW 50.04.150 and not yet qualified to be in the
14 array shall be 0.5 percent for employers whose standard industrial code
15 is "013", "016", "017", "018", "019", "021", or "081"; and

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

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

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

36 (1) The unemployment compensation fund shall consist of
37 ((+1)) (a) all contributions and payments in lieu of
38 contributions collected pursuant to the provisions of this title,

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

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

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

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

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

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

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

17 All moneys in the unemployment compensation fund shall be
18 commingled and undivided.

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

20 (i) All interest on delinquent contributions collected pursuant to
21 this title~~((7))~~i

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

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

26 (iv) Revenue received under RCW 50.24.014:

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

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

36 ~~((+a))~~ (i) The proper administration of this title and no federal
37 funds are available for the specific purpose to which such expenditure
38 is to be made, provided, the moneys are not substituted for

1 appropriations from federal funds which, in the absence of such moneys,
2 would be made available.

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

7 Money in the special account created under RCW 50.24.014 may only
8 be expended, after appropriation, for the purposes specified in RCW
9 ~~((74.09.035, 74.09.510, 74.09.520, and 74.09.700))~~ 50.62.010,
10 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010, 50.29.025,
11 50.24.014, 50.44.053, and 50.22.010.

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

15 (4) The employment and training trust fund shall consist of all
16 contributions received from the employment and training trust fund
17 contributions in accordance with section 3 of this act and interest
18 earned and deposited by the state treasurer in accordance with section
19 2 of this act.

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

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

29 ~~((1))~~ The unemployment compensation fund shall consist of

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

32 ~~((b))~~ (2) any property or securities acquired through the use of
33 moneys belonging to the fund,

34 ~~((c))~~ (3) all earnings of such property or securities,

35 ~~((d))~~ (4) any moneys received from the federal unemployment
36 account in the unemployment trust fund in accordance with Title XII of
37 the social security act, as amended,

1 ~~((e))~~ (5) all money recovered on official bonds for losses
2 sustained by the fund,
3 ~~((f))~~ (6) all money credited to this state's account in the
4 unemployment trust fund pursuant to section 903 of the social security
5 act, as amended,
6 ~~((g))~~ (7) all money received from the federal government as
7 reimbursement pursuant to section 204 of the federal-state extended
8 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and
9 ~~((h))~~ (8) all moneys received for the fund from any other
10 source.

11 All moneys in the unemployment compensation fund shall be
12 commingled and undivided.

13 ~~((2)(a))~~ The administrative contingency fund shall consist of~~((:~~
14 ~~(i))~~ all interest on delinquent contributions collected pursuant
15 to this title~~((:))~~ and

16 ~~((ii))~~ all fines and penalties collected pursuant to the
17 provisions of this title~~((:))~~ and

18 ~~((iii))~~ all sums recovered on official bonds for losses
19 sustained by the fund~~((:))~~ and

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

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

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

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

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

1 Money in the special account created under RCW 50.24.014 may only
2 be expended, after appropriation, for the purposes specified in RCW
3 50.62.010, 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010,
4 50.29.025, 50.24.014, 50.44.053, and 50.22.010.

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

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

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

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

- 24 (1) a clearing account,
25 (2) an unemployment trust fund account, and
26 (3) a benefit account.

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

37 After clearance thereof, all other moneys in the clearing account
38 shall be immediately deposited with the Secretary of the Treasury of

1 the United States to the credit of the account of this state in the
2 unemployment trust fund, established and maintained pursuant to section
3 904 of the social security act, as amended, any provisions of law in
4 this state relating to the deposit, administration, release, or
5 disbursement of moneys in the possession or custody of this state to
6 the contrary notwithstanding.

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

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

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

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

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

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

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

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

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

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

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

1 sustained by the unemployment compensation fund shall be deposited in
2 such fund. All sums recovered on official bonds for losses sustained
3 by the administrative contingency fund shall be deposited in such fund.

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

6 The contribution rate for each employer shall be determined under
7 this section.

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

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

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

26	Interval of the	
27	Fund Balance Ratio	Effective
28	Expressed as a Percentage	Tax Schedule
29	3.40 and above	A
30	2.90 to 3.39	B
31	2.40 to 2.89	C
32	1.90 to 2.39	D
33	1.40 to 1.89	E
34	Less than 1.40	F

1 ~~((3))~~ (4) An array shall be prepared, listing all qualified
 2 employers in ascending order of their benefit ratios. The array shall
 3 show for each qualified employer: (a) Identification number; (b)
 4 benefit ratio; (c) taxable payrolls for the four calendar quarters
 5 immediately preceding the computation date and reported to the
 6 department by the cut-off date; (d) a cumulative total of taxable
 7 payrolls consisting of the employer's taxable payroll plus the taxable
 8 payrolls of all other employers preceding him or her in the array; and
 9 (e) the percentage equivalent of the cumulative total of taxable
 10 payrolls.

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

18 ~~((5))~~ (6) The contribution rate for each employer in the array
 19 shall be the rate specified in the following tables for the rate class
 20 to which he or she has been assigned, as determined under subsection
 21 ~~((4))~~ (5) of this section, within the tax schedule which is to be in
 22 effect during the specified rate year:

23 For Rate Year 1994:

24 Percent of
 25 Cumulative Schedule~~((s))~~ of Contribution~~((s))~~ Rates
 26 Taxable Payrolls for Effective Tax Schedule

			Rate					
From	To	Class	A	B	C	D	E	F
29	((0.00 — 5.00 —	1 —	0.48	0.58	0.98	1.48	1.88	2.48
30	5.01 — 10.00 —	2 —	0.48	0.78	1.18	1.68	2.08	2.68
31	10.01 — 15.00 —	3 —	0.58	0.98	1.38	1.78	2.28	2.88
32	15.01 — 20.00 —	4 —	0.78	1.18	1.58	1.98	2.48	3.08
33	20.01 — 25.00 —	5 —	0.98	1.38	1.78	2.18	2.68	3.18
34	25.01 — 30.00 —	6 —	1.18	1.58	1.98	2.38	2.78	3.28
35	30.01 — 35.00 —	7 —	1.38	1.78	2.18	2.58	2.98	3.38
36	35.01 — 40.00 —	8 —	1.58	1.98	2.38	2.78	3.18	3.58
37	40.01 — 45.00 —	9 —	1.78	2.18	2.58	2.98	3.38	3.78

1	45.01	50.00	10	1.98	2.38	2.78	3.18	3.58	3.98
2	50.01	55.00	11	2.28	2.58	2.98	3.38	3.78	4.08
3	55.01	60.00	12	2.48	2.78	3.18	3.58	3.98	4.28
4	60.01	65.00	13	2.68	2.98	3.38	3.78	4.18	4.48
5	65.01	70.00	14	2.88	3.18	3.58	3.98	4.38	4.68
6	70.01	75.00	15	3.08	3.38	3.78	4.18	4.58	4.78
7	75.01	80.00	16	3.28	3.58	3.98	4.38	4.68	4.88
8	80.01	85.00	17	3.48	3.78	4.18	4.58	4.88	4.98
9	85.01	90.00	18	3.88	4.18	4.58	4.88	4.98	5.18
10	90.01	95.00	19	4.28	4.58	4.98	5.08	5.18	5.38
11	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40))

12	<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>
13	<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>
14	<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>
15	<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>
16	<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>
17	<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>
18	<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>
19	<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>
20	<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>
21	<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>
22	<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>
23	<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>
24	<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>
25	<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>
26	<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>
27	<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>
28	<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>
29	<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>
30	<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>
31	<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>

32 For Rate Year 1995:

33 Percent of

34 Cumulative

35 Taxable Payrolls

Schedule of Contribution Rates for

Effective Tax Schedule

36 Rate

37 From To Class A B C D E F

1	<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>
2	<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>
3	<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>
4	<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>
5	<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>
6	<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>
7	<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>
8	<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>
9	<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>
10	<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>
11	<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>
12	<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>
13	<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>
14	<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>
15	<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>
16	<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>
17	<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>
18	<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>
19	<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>
20	<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>

21 For Rate Year 1996:

22 Percent of

23 Cumulative

24 Taxable Payrolls

Schedule of Contribution Rates for

Effective Tax Schedule

25 Rate

26 From To Class A B C D E F

27	<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>
28	<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>
29	<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>
30	<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>
31	<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>
32	<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>
33	<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>
34	<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>
35	<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>
36	<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>
37	<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>

1	<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>
2	<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>
3	<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>
4	<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>
5	<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>
6	<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>
7	<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>
8	<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>
9	<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>

10 For Rate Year 1997:

11 Percent of

12 Cumulative

13 Taxable Payrolls

Schedule of Contribution Rates for

Effective Tax Schedule

14 Rate

15 From To Class A B C D E F

16	<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>
17	<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>
18	<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>
19	<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>
20	<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>
21	<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>
22	<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>
23	<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>
24	<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>
25	<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>
26	<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>
27	<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>
28	<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>
29	<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>
30	<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>
31	<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>
32	<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>
33	<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>
34	<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>
35	<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>

36 For Rate Year 1998 and Beyond:

1 Percent of
2 Cumulative Schedule of Contribution Rates for
3 Taxable Payrolls Effective Tax Schedule

4			<u>Rate</u>						
5	<u>From</u>	<u>To</u>	<u>Class</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
6	<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>
7	<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>
8	<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>
9	<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>
10	<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>
11	<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>
12	<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>
13	<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>
14	<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>
15	<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>
16	<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>
17	<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>
18	<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>
19	<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>
20	<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>
21	<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>
22	<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>
23	<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>
24	<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>
25	<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>

26 (~~(+6)~~) (7) The contribution rate for each employer not qualified
27 to be in the array shall be as follows:

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

1 (~~five and four tenths~~) four and thirty-two one-hundredths percent for
2 the current rate year;

3 (b) The contribution rate for employers exempt as of December 31,
4 1989, who are newly covered under the section 78, chapter 380, Laws of
5 1989 amendment to RCW 50.04.150 and not yet qualified to be in the
6 array shall be (~~2.5~~) 2.0 percent for employers whose standard
7 industrial code is "013", "016", "017", "018", "019", "021", or "081";
8 and

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

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

20 The contribution rate for each employer shall be determined under
21 this section.

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

30 (~~(2) (The fund balance ratio, expressed as a percentage, shall be
31 increased by 1.20 to determine the adjusted fund balance ratio.
32 However, the increase for rate years 1994 and 1995 shall be 0.00, for
33 rate year 1996 shall be 0.40, for rate year 1997 shall be 0.60, and for
34 rate year 1998 shall be 1.00.~~

35 (~~3~~) The interval of the (~~adjusted~~) fund balance ratio,
36 expressed as a percentage, shall determine which tax schedule in
37 subsection (~~6~~) (5) of this section shall be in effect for assigning

1 tax rates for the rate year. The intervals for determining the
2 effective tax schedule shall be:

3	Interval of the	
4	Fund Balance Ratio	Effective
5	Expressed as a Percentage	Tax Schedule
6	3.40 and above	A
7	2.90 to 3.39	B
8	2.40 to 2.89	C
9	1.90 to 2.39	D
10	1.40 to 1.89	E
11	Less than 1.40	F

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

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

29 ~~((+6))~~ (5) The contribution rate for each employer in the array
30 shall be the rate specified in the following table~~((s))~~ for the rate
31 class to which he or she has been assigned, as determined under
32 subsection ~~((+5))~~ (4) of this section, within the tax schedule which
33 is to be in effect during the ~~((specified))~~ rate year:

34 ~~((For Rate Year 1994:))~~
35 Percent of

Cumulative Taxable Payrolls			Schedules of Contributions Rates for Effective Tax Schedule						
Rate									
From	To	Class	A	B	C	D	E	F	
5	(0.00	5.00	1	0.28	0.36	0.68	1.08	1.40	1.88
6	5.01	10.00	2	0.28	0.52	0.84	1.24	1.56	2.04
7	10.01	15.00	3	0.36	0.68	1.00	1.32	1.72	2.20
8	15.01	20.00	4	0.52	0.84	1.16	1.48	1.88	2.36
9	20.01	25.00	5	0.68	1.00	1.32	1.64	2.04	2.44
10	25.01	30.00	6	0.84	1.16	1.48	1.80	2.12	2.52
11	30.01	35.00	7	1.00	1.32	1.64	1.96	2.28	2.60
12	35.01	40.00	8	1.16	1.48	1.80	2.12	2.44	2.76
13	40.01	45.00	9	1.32	1.64	1.96	2.28	2.60	2.92
14	45.01	50.00	10	1.48	1.80	2.12	2.44	2.76	3.08
15	50.01	55.00	11	1.72	1.96	2.28	2.60	2.92	3.16
16	55.01	60.00	12	1.88	2.12	2.44	2.76	3.08	3.32
17	60.01	65.00	13	2.04	2.28	2.60	2.92	3.24	3.48
18	65.01	70.00	14	2.20	2.44	2.76	3.08	3.40	3.64
19	70.01	75.00	15	2.36	2.60	2.92	3.24	3.56	3.72
20	75.01	80.00	16	2.52	2.76	3.08	3.40	3.64	3.80
21	80.01	85.00	17	2.68	2.92	3.24	3.56	3.80	3.88
22	85.01	90.00	18	3.00	3.24	3.56	3.80	3.88	4.04
23	90.01	95.00	19	3.32	3.56	3.88	3.96	4.04	4.20
24	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40

25 — For Rate Year 1995:

26 Percent of

27 Cumulative Schedule of Contribution Rates for

28 Taxable Payrolls Effective Tax Schedule

29 Rate

30 From To Class A B C D E F

31	0.00	5.00	1	0.302	0.382	0.702	1.102	1.422	1.902
32	5.01	10.00	2	0.302	0.542	0.862	1.262	1.582	2.062
33	10.01	15.00	3	0.382	0.702	1.022	1.342	1.742	2.222
34	15.01	20.00	4	0.542	0.862	1.182	1.502	1.902	2.382
35	20.01	25.00	5	0.702	1.022	1.342	1.662	2.062	2.462
36	25.01	30.00	6	0.862	1.182	1.502	1.822	2.142	2.542

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

15 — For Rate Year 1996:

16 Percent of

17 Cumulative Schedule of Contribution Rates for

18 Taxable Payrolls Effective Tax Schedule

19 Rate

20 From To Class A B C D E F

21	—0.00	5.00	1	0.33	0.41	0.73	1.13	1.45	1.93
22	—5.01	10.00	2	0.33	0.57	0.89	1.29	1.61	2.09
23	10.01	15.00	3	0.41	0.73	1.05	1.37	1.77	2.25
24	15.01	20.00	4	0.57	0.89	1.21	1.53	1.93	2.41
25	20.01	25.00	5	0.73	1.05	1.37	1.69	2.09	2.49
26	25.01	30.00	6	0.89	1.21	1.53	1.85	2.17	2.57
27	30.01	35.00	7	1.05	1.37	1.69	2.01	2.33	2.65
28	35.01	40.00	8	1.21	1.53	1.85	2.17	2.49	2.81
29	40.01	45.00	9	1.37	1.69	2.01	2.33	2.65	2.97
30	45.01	50.00	10	1.53	1.85	2.17	2.49	2.81	3.13
31	50.01	55.00	11	1.77	2.01	2.33	2.65	2.97	3.21
32	55.01	60.00	12	1.93	2.17	2.49	2.81	3.13	3.37
33	60.01	65.00	13	2.09	2.33	2.65	2.97	3.29	3.53
34	65.01	70.00	14	2.25	2.49	2.81	3.13	3.45	3.69
35	70.01	75.00	15	2.41	2.65	2.97	3.29	3.61	3.77
36	75.01	80.00	16	2.57	2.81	3.13	3.45	3.69	3.85
37	80.01	85.00	17	2.73	2.97	3.29	3.61	3.85	3.93

1	85.01	90.00	18	3.05	3.29	3.61	3.85	3.93	4.09
2	90.01	95.00	19	3.37	3.61	3.93	4.01	4.09	4.25
3	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40

4 — For Rate Year 1997:

5 Percent of

6 Cumulative Schedule of Contribution Rates for

7 Taxable Payrolls Effective Tax Schedule

8 Rate

9 From To Class A B C D E F

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

30 — For Rate Year 1998 and Beyond:

31 Percent of

32 Cumulative Schedule of Contribution Rates for

33 Taxable Payrolls Effective Tax Schedule

34 Rate

35 From To Class A B C D E F

1	0.00	5.00	1	0.38	0.46	0.78	1.18	1.50	1.98
2	5.01	10.00	2	0.38	0.62	0.94	1.34	1.66	2.14
3	10.01	15.00	3	0.46	0.78	1.10	1.42	1.82	2.30
4	15.01	20.00	4	0.62	0.94	1.26	1.58	1.98	2.46
5	20.01	25.00	5	0.78	1.10	1.42	1.74	2.14	2.54
6	25.01	30.00	6	0.94	1.26	1.58	1.90	2.22	2.62
7	30.01	35.00	7	1.10	1.42	1.74	2.06	2.38	2.70
8	35.01	40.00	8	1.26	1.58	1.90	2.22	2.54	2.86
9	40.01	45.00	9	1.42	1.74	2.06	2.38	2.70	3.02
10	45.01	50.00	10	1.58	1.90	2.22	2.54	2.86	3.18
11	50.01	55.00	11	1.82	2.06	2.38	2.70	3.02	3.26
12	55.01	60.00	12	1.98	2.22	2.54	2.86	3.18	3.42
13	60.01	65.00	13	2.14	2.38	2.70	3.02	3.34	3.58
14	65.01	70.00	14	2.30	2.54	2.86	3.18	3.50	3.74
15	70.01	75.00	15	2.46	2.70	3.02	3.34	3.66	3.82
16	75.01	80.00	16	2.62	2.86	3.18	3.50	3.74	3.90
17	80.01	85.00	17	2.78	3.02	3.34	3.66	3.90	3.98
18	85.01	90.00	18	3.10	3.34	3.66	3.90	3.98	4.14
19	90.01	95.00	19	3.42	3.66	3.98	4.06	4.14	4.30
20	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40
21	(7))								
22	<u>0.00</u>	<u>5.00</u>	<u>1</u>	<u>0.48</u>	<u>0.58</u>	<u>0.98</u>	<u>1.48</u>	<u>1.88</u>	<u>2.48</u>
23	<u>5.01</u>	<u>10.00</u>	<u>2</u>	<u>0.48</u>	<u>0.78</u>	<u>1.18</u>	<u>1.68</u>	<u>2.08</u>	<u>2.68</u>
24	<u>10.01</u>	<u>15.00</u>	<u>3</u>	<u>0.58</u>	<u>0.98</u>	<u>1.38</u>	<u>1.78</u>	<u>2.28</u>	<u>2.88</u>
25	<u>15.01</u>	<u>20.00</u>	<u>4</u>	<u>0.78</u>	<u>1.18</u>	<u>1.58</u>	<u>1.98</u>	<u>2.48</u>	<u>3.08</u>
26	<u>20.01</u>	<u>25.00</u>	<u>5</u>	<u>0.98</u>	<u>1.38</u>	<u>1.78</u>	<u>2.18</u>	<u>2.68</u>	<u>3.18</u>
27	<u>25.01</u>	<u>30.00</u>	<u>6</u>	<u>1.18</u>	<u>1.58</u>	<u>1.98</u>	<u>2.38</u>	<u>2.78</u>	<u>3.28</u>
28	<u>30.01</u>	<u>35.00</u>	<u>7</u>	<u>1.38</u>	<u>1.78</u>	<u>2.18</u>	<u>2.58</u>	<u>2.98</u>	<u>3.38</u>
29	<u>35.01</u>	<u>40.00</u>	<u>8</u>	<u>1.58</u>	<u>1.98</u>	<u>2.38</u>	<u>2.78</u>	<u>3.18</u>	<u>3.58</u>
30	<u>40.01</u>	<u>45.00</u>	<u>9</u>	<u>1.78</u>	<u>2.18</u>	<u>2.58</u>	<u>2.98</u>	<u>3.38</u>	<u>3.78</u>
31	<u>45.01</u>	<u>50.00</u>	<u>10</u>	<u>1.98</u>	<u>2.38</u>	<u>2.78</u>	<u>3.18</u>	<u>3.58</u>	<u>3.98</u>
32	<u>50.01</u>	<u>55.00</u>	<u>11</u>	<u>2.28</u>	<u>2.58</u>	<u>2.98</u>	<u>3.38</u>	<u>3.78</u>	<u>4.08</u>
33	<u>55.01</u>	<u>60.00</u>	<u>12</u>	<u>2.48</u>	<u>2.78</u>	<u>3.18</u>	<u>3.58</u>	<u>3.98</u>	<u>4.28</u>
34	<u>60.01</u>	<u>65.00</u>	<u>13</u>	<u>2.68</u>	<u>2.98</u>	<u>3.38</u>	<u>3.78</u>	<u>4.18</u>	<u>4.48</u>
35	<u>65.01</u>	<u>70.00</u>	<u>14</u>	<u>2.88</u>	<u>3.18</u>	<u>3.58</u>	<u>3.98</u>	<u>4.38</u>	<u>4.68</u>
36	<u>70.01</u>	<u>75.00</u>	<u>15</u>	<u>3.08</u>	<u>3.38</u>	<u>3.78</u>	<u>4.18</u>	<u>4.58</u>	<u>4.78</u>
37	<u>75.01</u>	<u>80.00</u>	<u>16</u>	<u>3.28</u>	<u>3.58</u>	<u>3.98</u>	<u>4.38</u>	<u>4.68</u>	<u>4.88</u>
38	<u>80.01</u>	<u>85.00</u>	<u>17</u>	<u>3.48</u>	<u>3.78</u>	<u>4.18</u>	<u>4.58</u>	<u>4.88</u>	<u>4.98</u>
39	<u>85.01</u>	<u>90.00</u>	<u>18</u>	<u>3.88</u>	<u>4.18</u>	<u>4.58</u>	<u>4.88</u>	<u>4.98</u>	<u>5.18</u>

1 90.01 . . . 95.00 . . . 19 . . . 4.28 4.58 4.98 5.08 5.18 5.38

2 95.01 . . . 100.00 . . . 20 . . . 5.40 5.40 5.40 5.40 5.40 5.40

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

5 (a) Employers who do not meet the definition of "qualified
6 employer" by reason of failure to pay contributions when due shall be
7 assigned the contribution rate of (~~four and thirty two one~~
8 ~~hundredths~~) five and four-tenths percent, except employers who have an
9 approved agency-deferred payment contract by September 30 of the
10 previous rate year. If any employer with an approved agency-deferred
11 payment contract fails to make any one of the succeeding deferred
12 payments or fails to submit any succeeding tax report and payment in a
13 timely manner, the employer's tax rate shall immediately revert to
14 (~~four and thirty two one hundredths~~) five and four-tenths percent for
15 the current rate year;

16 (b) The contribution rate for employers exempt as of December 31,
17 1989, who are newly covered under the section 78, chapter 380, Laws of
18 1989 amendment to RCW 50.04.150 and not yet qualified to be in the
19 array shall be (~~2.0~~) 2.5 percent for employers whose standard
20 industrial code is "013", "016", "017", "018", "019", "021", or "081";
21 and

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

31 NEW SECTION. **Sec. 14.** A new section is added to chapter 50.29
32 RCW to read as follows:

33 For the purpose of simplification of employer reports, the
34 "combined contribution rate" shall be used in the calculation of
35 employer taxes. The combined contribution rate shall include the
36 regular contribution rate as determined under RCW 50.29.025, the
37 Washington benefit reserve trust fund contribution rate as determined
38 under section 7 of this act, employment and training trust fund

1 contributions as determined under section 3 of this act, and special
2 contributions required under RCW 50.24.014. A mention of the "combined
3 contribution rate" may not be made on a tax form or publication unless
4 the form or publication specifically identifies the specific
5 contributions. The combined contribution rate may not be quoted on a
6 form unless the specific component rates are also quoted. The sole
7 purpose of the combined contribution rate is to allow an employer to
8 perform a single calculation on a tax return rather than four separate
9 calculations.

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

12 (1) The board shall conduct an annual evaluation of: (a) The
13 performance of the employment security department and the state board
14 for community and technical colleges in carrying out the purposes of
15 chapter . . . , Laws of 1993 (this act); (b) the outcomes of the
16 services provided by the employment security department and the state
17 board for community and technical colleges under chapter . . . , Laws of
18 1993 (this act); and (c) the long-term impact of the services provided
19 by the employment security department and the state board for community
20 and technical colleges under chapter . . . , Laws of 1993 (this act) on
21 service recipients. The board shall give the first annual evaluation
22 to the appropriate standing committees of the legislature by January 1,
23 1995.

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

33 (3) The state board for community and technical colleges shall
34 report to the board by September 1, 1994, and every year thereafter,
35 the number of certified student full-time equivalents receiving
36 training as provided in chapter . . . , Laws of 1993 (this act). In
37 addition, the report must include information on the outcomes of the
38 provided training, indices of placement rates, student demographics,

1 training plan completion rates, and comparisons of preprogram and
2 postprogram wage levels for those trained as a result of chapter . . . ,
3 Laws of 1993 (this act), as well as any other information requested by
4 the board.

5 NEW SECTION. **Sec. 16.** Sections 1 through 8, 10, 12, 14, and 15
6 of this act shall expire December 31, 1997.

7 NEW SECTION. **Sec. 17.** Sections 9, 11, and 13 of this act shall
8 take effect January 1, 1998.

9 NEW SECTION. **Sec. 18.** If any part of this act is found to be
10 in conflict with federal requirements that are a prescribed condition
11 to the allocation of federal funds to the state or the eligibility of
12 employers in this state for federal unemployment tax credits, the
13 conflicting part of this act is hereby declared to be inoperative
14 solely to the extent of the conflict, and such finding or determination
15 shall not affect the operation of the remainder of this act. The rules
16 under this act shall meet federal requirements that are a necessary
17 condition to the receipt of federal funds by the state or the granting
18 of federal unemployment tax credits to employers in this state.

19 NEW SECTION. **Sec. 19.** If any provision of this act or its
20 application to any person or circumstance is held invalid, the
21 remainder of the act or the application of the provision to other
22 persons or circumstances is not affected.

23 NEW SECTION. **Sec. 20.** This act applies to tax rate years
24 beginning with tax rate year 1994.

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