
SENATE BILL 5703

State of Washington

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1993 Regular Session

By Senators Prentice, Prince, Moore, Amondson and Franklin; by request of Employment Security Department

Read first time 02/10/93. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to codifying the labor market information and
2 economic analysis responsibilities of the employment security
3 department; amending RCW 50.38.010, 50.38.030, and 50.16.050; adding
4 new sections to chapter 50.38 RCW; creating a new section; repealing
5 RCW 50.12.260; making an appropriation; providing an effective date;
6 and declaring an emergency.

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

8 **Sec. 1.** RCW 50.38.010 and 1982 c 43 s 1 are each amended to read
9 as follows:

10 It is the intent of this chapter to establish (~~a single state~~
11 ~~administered occupational information service, including the state~~
12 ~~occupational forecast~~)) the duties and authority of the employment
13 security department relating to labor market information and economic
14 analysis. State and federal law mandate the use of labor market
15 information in the planning, coordinating, management, implementation,
16 and evaluation of certain programs. Often this labor market
17 information is also needed in studies for the legislature and state
18 programs, like those dealing with growth management, community
19 diversification, export assistance, prison industries, energy,

1 agriculture, social services, and environment. Employment, training,
2 education, job creation, and other programs are often mandated without
3 adequate federal or state funding for the needed labor market
4 information. Clarification of the department's duties and authority
5 will assist users of state and local labor market information products
6 and services to have realistic expectations and provide the department
7 authority to recover actual costs for labor market information products
8 and services developed in response to individual requests.

9 NEW SECTION. Sec. 2. Unless the context clearly requires
10 otherwise, the definitions in this section apply throughout this
11 chapter.

12 (1) "Labor market information" means the body of information
13 generated from measurement and evaluation of the socioeconomic factors
14 and variables influencing the employment process in the state and
15 specific labor market areas. These socioeconomic factors and variables
16 affect labor demand and supply relationships and include:

17 (a) Labor force information, which includes but is not limited to
18 employment, unemployment, labor force participation, labor turnover and
19 mobility, average hours and earnings, and changes and characteristics
20 of the population and labor force within specific labor market areas
21 and the state;

22 (b) Occupational information, which includes but is not limited to
23 occupational supply and demand estimates and projections,
24 characteristics of occupations, wage levels, job duties, training and
25 education requirements, conditions of employment, unionization,
26 retirement practices, and training opportunities;

27 (c) Economic information, which includes but is not limited to
28 number of business starts and stops by industry and labor market area,
29 information on employment growth and decline by industry and labor
30 market area, employer establishment data, and number of labor-
31 management disputes by industry and labor market area; and

32 (d) Program information, which includes but is not limited to
33 program participant or student information gathered in cooperation with
34 other state and local agencies along with related labor market
35 information to evaluate the effectiveness, efficiency, and impact of
36 state and local employment, training, education, and job creation
37 efforts in support of planning, management, implementation, and
38 evaluation.

1 (2) "Labor market area" means an economically integrated geographic
2 area within which individuals can reside and find employment within a
3 reasonable distance or can readily change employment without changing
4 their place of residence. Such areas shall be identified in accordance
5 with criteria used by the bureau of labor statistics of the department
6 of labor in defining such areas or similar criteria established by the
7 governor. The area generally takes the name of its community. The
8 boundaries depend primarily on economic and geographic factors.
9 Washington state is divided into labor market areas, which usually
10 include a county or a group of contiguous counties.

11 (3) "Labor market analysis" means the measurement and evaluation of
12 economic forces as they relate to the employment process in the local
13 labor market area. Variables affecting labor market relationships
14 include, but are not limited to, such factors as labor force changes
15 and characteristics, population changes and characteristics, industrial
16 structure and development, technological developments, shifts in
17 consumer demand, volume and extent of unionization and trade disputes,
18 recruitment practices, wage levels, conditions of employment, and
19 training opportunities.

20 (4) "Public records" has the same meaning as set forth in RCW
21 42.17.020.

22 (5) "Department" means the employment security department.

23 **Sec. 3.** RCW 50.38.030 and 1985 c 466 s 66 are each amended to read
24 as follows:

25 The employment security department shall consult with the following
26 agencies prior to the issuance of the state occupational forecast:

- 27 (1) Office of financial management;
- 28 (2) Department of trade and economic development;
- 29 (3) Department of labor and industries;
- 30 (4) State board for community and technical colleges ((education));
- 31 (5) Superintendent of public instruction;
- 32 (6) Department of social and health services;
- 33 (7) Department of community development;
- 34 (8) ((Commission for vocational education)) Work force training and
35 education coordinating board; and
- 36 (9) Other state and local agencies as deemed appropriate by the
37 commissioner of the employment security department.

1 These agencies shall cooperate with the employment security
2 department, submitting information relevant to the generation of
3 occupational forecasts.

4 NEW SECTION. **Sec. 4.** The department shall submit an annual
5 report to the legislature and the governor that includes, but is not
6 limited to:

7 (1) Identification and analysis of industries in the United States,
8 Washington state, and local labor markets with high levels of seasonal,
9 cyclical, and structural unemployment;

10 (2) The industries and local labor markets with plant closures and
11 mass lay-offs and the number of affected workers;

12 (3) An analysis of the major causes of plant closures and mass lay-
13 offs;

14 (4) The number of dislocated workers and persons who have exhausted
15 their unemployment benefits, classified by industry, occupation, and
16 local labor markets;

17 (5) The experience of the unemployed in their efforts to become
18 reemployed. This should include research conducted on the continuous
19 wage and benefit history;

20 (6) Five-year industry and occupational employment projections; and

21 (7) Annual and hourly average wage rates by industry and
22 occupation.

23 NEW SECTION. **Sec. 5.** The department shall have the following
24 duties:

25 (1) Oversight and management of a state-wide comprehensive labor
26 market and occupational supply and demand information system, including
27 development of a five-year employment forecast for state and labor
28 market areas;

29 (2) Produce local labor market information packages for the state's
30 counties, including special studies and job impact analyses in support
31 of state and local employment, training, education, and job creation
32 programs, especially activities that prevent job loss, reduce
33 unemployment, and create jobs;

34 (3) Coordinate with the office of financial management and the
35 office of the forecast council to improve employment estimates by
36 enhancing data on corporate officers, improving business establishment
37 listings, expanding sample for employment estimates, and developing

1 business entry/exit analysis relevant to the generation of occupational
2 and economic forecasts; and

3 (4) In cooperation with the office of financial management, produce
4 long-term industry and occupational employment forecasts. These
5 forecasts shall be consistent with the official economic and revenue
6 forecast council biennial economic and revenue forecasts.

7 NEW SECTION. **Sec. 6.** To implement this chapter, the
8 department has authority to:

9 (1) Establish mechanisms to recover actual costs incurred in
10 producing and providing otherwise nonfunded labor market information.

11 (a) If the commissioner, in his or her discretion, determines that
12 providing labor market information is in the public interest, the
13 requested information may be provided at reduced costs.

14 (b) The department shall provide access to labor market information
15 products that constitute public records available for public inspection
16 and copying under chapter 42.17 RCW, at fees not exceeding those
17 allowed under RCW 42.17.300 and consistent with the department's fee
18 schedule;

19 (2) Receive federal set aside funds from several federal programs
20 that are authorized to fund state and local labor market information
21 and are required to use such information in support of their programs;

22 (3) Enter into agreements with other public agencies for
23 statistical analysis, research, or evaluation studies of local, state,
24 and federally funded employment, training, education, and job creation
25 programs to increase the efficiency or quality of service provided to
26 the public consistent with chapter 50.13 RCW;

27 (4) Coordinate with other state agencies to study ways to
28 standardize federal and state multi-agency administrative records, such
29 as unemployment insurance information and other information to produce
30 employment, training, education, and economic analysis needed to
31 improve labor market information products and services; and

32 (5) Produce agricultural labor market information and economic
33 analysis needed to facilitate the efficient and effective matching of
34 the local supply and demand of agricultural labor critical to an
35 effective agricultural labor exchange in Washington state. Information
36 collected for an agricultural labor market information effort will be
37 coordinated with other federal, state, and local statistical agencies

1 to minimize reporting burden through cooperative data collection
2 efforts for statistical analysis, research, or studies.

3 NEW SECTION. **Sec. 7.** Moneys received under section 6(1) of
4 this act to cover the actual costs of nonfunded labor market
5 information shall be deposited in the unemployment compensation
6 administration fund and expenditures shall be authorized only by
7 appropriation.

8 **Sec. 8.** RCW 50.16.050 and 1959 c 170 s 3 are each amended to read
9 as follows:

10 (1) There is hereby established a fund to be known as the
11 unemployment compensation administration fund. Except as otherwise
12 provided in this section, all moneys which are deposited or paid into
13 this fund are hereby made available to the commissioner. All moneys in
14 this fund shall be expended solely for the purpose of defraying the
15 cost of the administration of this title, and for no other purpose
16 whatsoever. All moneys received from the United States of America, or
17 any agency thereof, for said purpose pursuant to section 302 of the
18 social security act, as amended, shall be expended solely for the
19 purposes and in the amounts found necessary by the secretary of labor
20 for the proper and efficient administration of this title. All moneys
21 received from the United States employment service, United States
22 department of labor, for said purpose pursuant to the act of congress
23 approved June 6, 1933, as amended or supplemented by any other act of
24 congress, shall be expended solely for the purposes and in the amounts
25 found necessary by the secretary of labor for the proper and efficient
26 administration of the public employment office system of this state.
27 The unemployment compensation administration fund shall consist of all
28 moneys received from the United States of America or any department or
29 agency thereof, or from any other source, for such purpose. All moneys
30 in this fund shall be deposited, administered, and disbursed by the
31 treasurer of the unemployment compensation fund under rules and
32 regulations of the commissioner and none of the provisions of ((section
33 5501 of Remington's Revised Statutes, as amended,)) RCW 43.01.050 shall
34 be applicable to this fund. The treasurer last named shall be the
35 treasurer of the unemployment compensation administration fund and
36 shall give a bond conditioned upon the faithful performance of his
37 duties in connection with that fund. All sums recovered on the

1 official bond for losses sustained by the unemployment compensation
2 administration fund shall be deposited in said fund.

3 (2) Notwithstanding any provision of this section(~~(7)~~):

4 (a) All money requisitioned and deposited in this fund pursuant to
5 RCW 50.16.030(6) shall remain part of the unemployment compensation
6 fund and shall be used only in accordance with the conditions specified
7 in RCW 50.16.030(4), (5) and (6).

8 (b) All money deposited in this fund pursuant to section 7 of this
9 act shall be used only after appropriation and only for the purposes of
10 section 6 of this act.

11 NEW SECTION. Sec. 9. The sum of one hundred thousand dollars,
12 or as much thereof as may be necessary, is appropriated for the
13 biennium ending June 30, 1995, from the unemployment compensation
14 administration fund to the employment security department for the
15 purposes of section 6 of this act. However, expenditures from this
16 appropriation shall be limited to the amount deposited during the
17 biennium in the unemployment compensation administration fund under
18 section 7 of this act.

19 NEW SECTION. Sec. 10. If any part of this act is found to be
20 in conflict with federal requirements which are a prescribed condition
21 to the allocation of federal funds to the state or the eligibility of
22 employers in this state for federal unemployment tax credits, the
23 conflicting part of this act is hereby declared to be inoperative
24 solely to the extent of the conflict, and such finding or determination
25 shall not affect the operation of the remainder of this act. The rules
26 under this act shall meet federal requirements which are a necessary
27 condition to the receipt of federal funds by the state or the granting
28 of federal unemployment tax credits to employers in this state.

29 NEW SECTION. Sec. 11. RCW 50.12.260 and 1987 c 284 s 5 are
30 each repealed.

31 NEW SECTION. Sec. 12. Sections 2 and 4 through 7 of this act
32 are each added to chapter 50.38 RCW.

33 NEW SECTION. Sec. 13. This act is necessary for the immediate
34 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take
2 effect July 1, 1993.

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