

CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 5920

Chapter 187, Laws of 1994

53rd Legislature
1994 Regular Session

UNEMPLOYMENT INSURANCE--PILOT PROJECT

EFFECTIVE DATE: 6/9/94

Passed by the Senate March 6, 1994
YEAS 33 NAYS 9

JOEL PRITCHARD

President of the Senate

Passed by the House March 4, 1994
YEAS 95 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved March 30, 1994

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 **ENGROSSED SENATE BILL 5920** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

March 30, 1994 - 1:37 p.m.

**Secretary of State
State of Washington**

ENGROSSED SENATE BILL 5920

AS AMENDED BY THE HOUSE

Passed Legislature - 1994 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senator Vognild

Read first time 02/25/93. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to unemployment insurance deductions; creating new
2 sections; making an appropriation; and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** (1) The purpose of this act is to provide
5 for a study which will review incentives that encourage workers
6 receiving unemployment insurance benefits to seek employment
7 opportunities and return to full-time employment with the result that
8 the unemployment insurance trust fund is positively affected.

9 (2)(a) The employment security department shall undertake a pilot
10 project to determine the effect of allowing unemployment insurance
11 claimants to keep a greater portion of their weekly benefits when
12 engaged in part-time or temporary employment, as provided in section 2
13 of this act. The department shall develop a plan to implement the
14 project, including the number of participants and the criteria for
15 participation in the project. The plan shall be reviewed and approved
16 by the unemployment insurance advisory committee before the pilot is
17 implemented.

18 (b) The department shall report to the appropriate committees of
19 the legislature on the pilot project by December 31, 1996. The report

1 shall include the impact on the unemployment insurance trust fund and
2 on claimants participating in the project.

3 NEW SECTION. **Sec. 2.** For the purposes of the pilot project
4 created under section 1 of this act, the following requirements for
5 defining "unemployment" and level of unemployment insurance benefit
6 deductions is as follows:

7 (1)(a) An individual shall be deemed to be "unemployed" in any week
8 during which the individual performs no services and with respect to
9 which no remuneration is payable to the individual, or in any week of
10 less than full time work, if the remuneration payable to the individual
11 with respect to such week is less than one and one-half times the
12 individual's weekly benefit amount plus fifteen dollars. The
13 commissioner shall prescribe regulations applicable to unemployed
14 individuals making such distinctions in the procedures as to such types
15 of unemployment as the commissioner deems necessary.

16 (b) An individual shall be deemed not to be "unemployed" during any
17 week which falls totally within a period during which the individual,
18 pursuant to a collective bargaining agreement or individual employment
19 contract, is employed full time in accordance with a definition of full
20 time contained in the agreement or contract, and for which compensation
21 for full time work is payable. This subsection may not be applied
22 retroactively to an individual who had no guarantee of work at the
23 start of such period and subsequently is provided additional work by
24 the employer; and

25 (2) If an eligible individual is available for work for less than
26 a full week, he or she shall be paid his or her weekly benefit amount
27 reduced by one-seventh of such amount for each day that he or she is
28 unavailable for work. However, if he or she is unavailable for work
29 for three days or more of a week, he or she shall be considered
30 unavailable for the entire week.

31 Each eligible individual who is unemployed in any week shall be
32 paid with respect to such week a benefit in an amount equal to his or
33 her weekly benefit amount less sixty-six and two-thirds percent of that
34 part of the remuneration, if any, payable to him or her with respect to
35 such week which is in excess of fifteen dollars. Such benefit, if not
36 a multiple of one dollar, shall be reduced to the next lower multiple
37 of one dollar.

1 **Sec. 3.** RCW 50.24.014 and 1993 c 483 s 20 are each amended to read
2 as follows:

3 (1)(a) A separate and identifiable account to provide for the
4 financing of special programs to assist the unemployed is established
5 in the administrative contingency fund. Contributions to this account
6 shall accrue and become payable by each employer, except employers as
7 described in RCW 50.44.010 and 50.44.030 who have properly elected to
8 make payments in lieu of contributions, taxable local government
9 employers as described in RCW 50.44.035, and those employers who are
10 required to make payments in lieu of contributions, at a basic rate of
11 two one-hundredths of one percent. The amount of wages subject to tax
12 shall be determined under RCW 50.24.010.

13 (b) For the first calendar quarter of 1994 only, (~~this~~) the basic
14 two one-hundredths of one percent contribution payable under (a) of
15 this subsection shall be increased by one-hundredth of one percent to
16 a total rate of three one-hundredths of one percent. The proceeds of
17 this incremental one-hundredth of one percent shall be used solely for
18 the purposes described in section 22, chapter 483, Laws of 1993, and
19 for the purposes described in section 1 of this act. Any surplus from
20 contributions payable under this subsection (b) will be deposited in
21 the unemployment compensation trust fund.

22 (2)(a) Contributions under this section shall become due and be
23 paid by each employer under rules as the commissioner may prescribe,
24 and shall not be deducted, in whole or in part, from the remuneration
25 of individuals in the employ of the employer. Any deduction in
26 violation of this section is unlawful.

27 (b) In the payment of any contributions under this section, a
28 fractional part of a cent shall be disregarded unless it amounts to
29 one-half cent or more, in which case it shall be increased to one cent.

30 (3) If the commissioner determines that federal funding has been
31 increased to provide financing for the services specified in chapter
32 50.62 RCW, the commissioner shall direct that collection of
33 contributions under this section be terminated on the following January
34 1st.

35 NEW SECTION. **Sec. 4.** The sum of four hundred thousand dollars, or
36 as much thereof as may be necessary, is appropriated for the biennium
37 ending June 30, 1995, from the unemployment insurance funds collected

1 under RCW 50.24.014(1)(b) to the employment security department for the
2 purposes of section 1 of this act.

3 NEW SECTION. **Sec. 5.** Sections 1 and 2 of this act shall expire
4 July 1, 1997.

5 NEW SECTION. **Sec. 6.** If any part of this act is found to be in
6 conflict with federal requirements that are a prescribed condition to
7 the allocation of federal funds to the state or the eligibility of
8 employers in this state for federal unemployment tax credits, the
9 conflicting part of this act is hereby declared to be inoperative
10 solely to the extent of the conflict, and such finding or determination
11 shall not affect the operation of the remainder of this act. The rules
12 under this act shall meet federal requirements that are a necessary
13 condition to the receipt of federal funds by the state or the granting
14 of federal unemployment tax credits to employers in this state.

Passed the Senate March 6, 1994.

Passed the House March 4, 1994.

Approved by the Governor March 30, 1994.

Filed in Office of Secretary of State March 30, 1994.