

6097

Sponsor(s): Senators Honeyford and Mulliken

Brief Description: Revising the unemployment compensation system.

SB 6097.2E - DIGEST

(DIGEST AS ENACTED)

Revises the unemployment compensation system through creating forty rate classes for determining employer contribution rates.

Revises eligibility benefit provisions.

Revises provisions relating to benefit amount and duration.

Provides that, effective January 4, 2004, the department must contract with employment security agencies in other states to ensure that individuals residing in those states and receiving Washington benefits are actively searching for work.

Directs the department to undertake the following activities:

(1) Identify programs funded by special administrative contributions and report expenditures for those contributions to the committee;

(2) Conduct a review of the type, rate and causes of employer turnover in the unemployment compensation system; and

(3) Conduct a study of the potential for year-to-year volatility, if any, in rate classes under the new tax array.

Requires the department to report its findings and recommendations to the Legislature by December 1, 2003.

Repeals RCW 50.20.015, 50.20.045, 50.20.125, and 50.29.045.

VETO MESSAGE ON SB 6097

June 20, 2003

To the Honorable President and Members,
The Senate of the State of Washington

Ladies and Gentlemen:

I am returning herewith, without my approval as to section 28 Second Engrossed Senate Bill No. 6097 entitled:

"AN ACT Relating to revising the unemployment compensation system through creating forty rate classes for determining employer contribution rates;"

This bill makes substantive and historic changes to our unemployment insurance (UI) system.

Section 28 would have required claimants who file initial and weekly claims electronically or telephonically to provide additional proof of identity, such as a driver's license. I have vetoed this section because it nullifies all the advancements and efficiencies gained with TeleCenters and Internet filing. This requirement would also place a burden on individuals who live in rural areas not located near one of the Work Source offices. The Department of Employment Security uses an extensive process to

minimize the possibility of fraudulent claims. If there is any doubt regarding identity, the department may issue an affidavit of identity to the claimant that must be notarized before any benefits are paid. The department may also require an individual to appear in person, if necessary.

I am not vetoing section 4, which establishes a list of personal and work-related reasons that an individual may quit for "good cause" and receive UI benefits while searching for other work. However, without the benefit of experience, I appreciate concerns expressed about the unforeseeable nature of some of the practical effects of these amendments. Accordingly, I hereby instruct the Commissioner of the Department of Employment Security to track all impacts associated with the amendments in section 4, and to report her findings to me by June 2005.

For these reasons, I have vetoed section 28 of Second Engrossed Senate Bill No. 6097.

With the exception of section 28, Second Engrossed Senate Bill No. 6097 is approved.

Respectfully submitted,
Gary Locke
Governor