SUBSTITUTE SENATE BILL 5009

State of Washington 61st Legislature 2009 Regular Session

By Senate Labor, Commerce & Consumer Protection (originally sponsored by Senators Marr, Swecker, Hobbs, King, Sheldon, Kilmer, Ranker, Berkey, Haugen, Kauffman, Rockefeller, Hatfield, McAuliffe, Shin, and Roach)

READ FIRST TIME 02/09/09.

1 AN ACT Relating to benefits charged to the experience rating 2 accounts of employers; and amending RCW 50.29.021.

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

4 Sec. 1. RCW 50.29.021 and 2008 c 323 s 2 are each amended to read 5 as follows:

6 (1) This section applies to benefits charged to the experience 7 rating accounts of employers for claims that have an effective date on 8 or after January 4, 2004.

9 (2)(a) An experience rating account shall be established and 10 maintained for each employer, except employers as described in RCW 11 50.44.010, 50.44.030, and 50.50.030 who have properly elected to make 12 payments in lieu of contributions, taxable local government employers 13 as described in RCW 50.44.035, and those employers who are required to 14 make payments in lieu of contributions, based on existing records of 15 the employment security department.

(b) Benefits paid to an eligible individual shall be charged to the experience rating accounts of each of such individual's employers during the individual's base year in the same ratio that the wages paid by each employer to the individual during the base year bear to the
wages paid by all employers to that individual during that base year,
except as otherwise provided in this section.

4 (c) When the eligible individual's separating employer is a covered 5 contribution paying base year employer, benefits paid to the eligible 6 individual shall be charged to the experience rating account of only 7 the individual's separating employer if the individual qualifies for 8 benefits under:

9 (i) RCW 50.20.050(2)(b)(i), as applicable, and became unemployed 10 after having worked and earned wages in the bona fide work; or

11

(ii) RCW 50.20.050(2)(b) (v) through (x).

12 (3) The legislature finds that certain benefit payments, in whole 13 or in part, should not be charged to the experience rating accounts of 14 employers except those employers described in RCW 50.44.010, 50.44.030, 15 and 50.50.030 who have properly elected to make payments in lieu of 16 contributions, taxable local government employers described in RCW 17 50.44.035, and those employers who are required to make payments in 18 lieu of contributions, as follows:

19 (a) Benefits paid to any individual later determined to be ineligible shall not be charged to the experience rating account of any 20 21 contribution paying employer. However, when a benefit claim becomes 22 invalid due to an amendment or adjustment of a report where the 23 employer failed to report or inaccurately reported hours worked or 24 remuneration paid, or both, all benefits paid will be charged to the 25 experience rating account of the contribution paying employer or 26 employers that originally filed the incomplete or inaccurate report or 27 reports. An employer who reimburses the trust fund for benefits paid 28 to workers and who fails to report or inaccurately reported hours 29 worked or remuneration paid, or both, shall reimburse the trust fund 30 for all benefits paid that are based on the originally filed incomplete 31 or inaccurate report or reports.

32 (b) Benefits paid to an individual filing under the provisions of 33 chapter 50.06 RCW shall not be charged to the experience rating account 34 of any contribution paying employer only if:

35 (i) The individual files under RCW 50.06.020(1) after receiving 36 crime victims' compensation for a disability resulting from a nonwork-37 related occurrence; or

- 38
- (ii) The individual files under RCW 50.06.020(2).

(c) Benefits paid which represent the state's share of benefits
payable as extended benefits defined under RCW 50.22.010(6) shall not
be charged to the experience rating account of any contribution paying
employer.

5 (d) In the case of individuals who requalify for benefits under RCW 6 50.20.050 or 50.20.060, benefits based on wage credits earned prior to 7 the disqualifying separation shall not be charged to the experience 8 rating account of the contribution paying employer from whom that 9 separation took place.

(e) Benefits paid to an individual who qualifies for benefits under
RCW 50.20.050(2)(b) (iv) or (xi), as applicable, shall not be charged
to the experience rating account of any contribution paying employer.

(f) With respect to claims with an effective date on or after the first Sunday following April 22, 2005, benefits paid that exceed the benefits that would have been paid if the weekly benefit amount for the claim had been determined as one percent of the total wages paid in the individual's base year shall not be charged to the experience rating account of any contribution paying employer.

19 (4)(a) A contribution paying base year employer, not otherwise 20 eligible for relief of charges for benefits under this section, may 21 receive such relief if the benefit charges result from payment to an 22 individual who:

(i) Last left the employ of such employer voluntarily for reasonsnot attributable to the employer;

(ii) Was discharged for misconduct or gross misconduct connected with his or her work not a result of inability to meet the minimum job requirements;

(iii) Is unemployed as a result of closure or severe curtailment of operation at the employer's plant, building, worksite, or other facility. This closure must be for reasons directly attributable to a catastrophic occurrence such as fire, flood, or other natural disaster; ((or))

(iv) Continues to be employed on a regularly scheduled permanent part-time basis by a base year employer and who at some time during the base year was concurrently employed and subsequently separated from at least one other base year employer. Benefit charge relief ceases when the employment relationship between the employer requesting relief and

p. 3

1 the claimant is terminated. This subsection does not apply to shared 2 work employers under chapter 50.06 RCW; or

3 <u>(v) Was hired to replace an employee who is a member of the</u> 4 <u>military reserves or National Guard and was called to federal active</u> 5 <u>military service by the president of the United States and is</u> 6 <u>subsequently laid off when that employee is reemployed by their</u> 7 <u>employer upon release from active duty within the time provided for</u> 8 <u>reemployment in RCW 73.16.035</u>.

9 (b) The employer requesting relief of charges under this subsection 10 must request relief in writing within thirty days following mailing to 11 the last known address of the notification of the valid initial 12 determination of such claim, stating the date and reason for the 13 separation or the circumstances of continued employment. The 14 commissioner, upon investigation of the request, shall determine 15 whether relief should be granted.

--- END ---