

FINAL BILL REPORT

HB 1903

C 244 L 13
Synopsis as Enacted

Brief Description: Providing unemployment insurance benefit charging relief for part-time employers who continue to employ a claimant on a part-time basis and the claimant qualified for two consecutive claims with wages attributable to at least one employer who employed the claimant in both base years.

Sponsors: Representatives Fitzgibbon and Ryu.

House Committee on Labor & Workforce Development
Senate Committee on Commerce & Labor

Background:

An individual is eligible to receive unemployment benefits if he or she: (1) worked at least 680 hours in covered employment in his or her base year; (2) was separated from employment through no fault of his or her own or quit work for good cause; and (3) is able to work and is actively searching for suitable work. The base year is generally the first four of the last five completed calendar quarters before the claimant applied for benefits. A worker who was separated from a full-time job but continues to work at a part-time job and who otherwise meets the eligibility criteria is eligible for reduced benefits, and the part-time employer may be a base year employer.

Most employers pay contributions (payroll taxes) to finance unemployment benefits. An employer's tax rate is experience rated so that the rate is determined, in part, by the benefits paid to its employees. Benefits are charged to base year employers on a pro rata basis according to the amount of wages paid to the claimant by the employer in the claimant's base year compared to the wages paid by all employers. Some benefits, however, are pooled within the unemployment system or "socialized."

An employer may request relief from charging under specified circumstances. A part-time employer who continues to employ a claimant may request relief from charging if the claimant was concurrently employed by and subsequently separated from at least one other base year employer. An employer requesting relief must do so within 30 days of notification of the initial determination of the claim.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Shared-Work Program provides for the payment of partial benefits in situations where employers elect to retain employees at part-time work rather than lay off employees.

Summary:

An additional basis allowing an employer to request relief from benefit charges is established. A part-time employer who continues to employ a claimant who qualified for two consecutive claims is eligible for relief if the claimant is employed on a regularly scheduled permanent basis and wages were attributable to at least one employer who employed the claimant in both base years. Benefit charge relief is not available to shared-work employers.

Votes on Final Passage:

House	87	10
Senate	48	0

Effective: January 1, 2014