CERTIFICATION OF ENROLLMENT

## HOUSE BILL 1901

68th Legislature 2024 Regular Session

Passed by the House February 9, 2024 Yeas 97 Nays 0

Speaker of the House of Representatives

Passed by the Senate February 28, 2024 Yeas 49 Nays 0

## CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1901** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

President of the Senate

Approved

FILED

Secretary of State State of Washington

Governor of the State of Washington

## HOUSE BILL 1901

Passed Legislature - 2024 Regular Session

State of Washington 68th Legislature 2024 Regular Session

By Representatives Springer, Schmidt, Berry, Ormsby, and Reeves; by request of Employment Security Department

Prefiled 12/06/23. Read first time 01/08/24. Referred to Committee on Labor & Workplace Standards.

1 AN ACT Relating to removing the sunset on changes to the 2 unemployment insurance voluntary contribution program; and amending 3 RCW 50.29.026.

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

5 **Sec. 1.** RCW 50.29.026 and 2021 c 2 s 18 are each amended to read 6 as follows:

7 (1) ((Except as provided in subsection (3) of this section, a)) <u>A</u>
9 qualified employer's contribution rate or array calculation factor
9 rate determined under RCW 50.29.025 may be modified as follows:

10 (a) Subject to the limitations of this subsection, an employer 11 may make a voluntary contribution of an amount equal to part or all 12 of the benefits charged to the employer's account during the two years most recently ended on June 30th that were used for the purpose 13 of computing the employer's contribution rate or array calculation 14 15 factor rate. On receiving timely payment of a voluntary contribution, 16 ((plus a surcharge of ten percent of the amount of the voluntary 17 contribution,)) the commissioner shall cancel the benefits equal to 18 voluntary contribution(( rexcluding the the amount of the 19 surcharge<sub>r</sub>)) and compute a new benefit ratio for the employer. The 20 employer shall then be assigned the contribution rate ((applicable 21 for rate years beginning before January 1, 2005,)) or array

1 calculation factor rate applicable for rate years beginning on or 2 after January 1, 2005, applicable to the rate class within which the 3 recomputed benefit ratio is included. The minimum amount of a 4 voluntary contribution(( $_{r}$  excluding the surcharge\_r)) must be an 5 amount that will result in a recomputed benefit ratio that is in a 6 rate class at least ((four)) two rate classes lower than the rate 7 class that included the employer's original benefit ratio.

8 (b) Payment of a voluntary contribution is considered timely if 9 received by the department during the period beginning on the date of 10 mailing to the employer the notice of contribution rate required 11 under this title for the rate year for which the employer is seeking 12 a modification of the employer's rate and ending on ((February 15th)) 13 March 31st of that rate year.

(c) A benefit ratio may not be recomputed nor a rate be reduced under this section as a result of a voluntary contribution received after the payment period prescribed in (b) of this subsection.

17 (2) ((Except as provided in subsection (3) of this section, 18 this)) This section does not apply to any employer who has not had an 19 increase of at least ((twelve)) eight rate classes from the previous 20 tax rate year.

21 ((<del>(3) From February 8, 2021, and until May 31, 2026, the</del> 22 following applies:

23 (a) The surcharge in subsection (1) (a) of this section will not 24 be charged or used in the calculations;

25 (b) The ending payment date in subsection (1) (b) of this section 26 is March 31st;

27 (c) The minimum amount of a voluntary contribution must be an 28 amount that will result in a recomputed benefit ratio that is in a 29 rate class at least two rate classes lower than the rate class that 30 included the employer's original benefit ratio; and 31 (d) This section does not apply to any employer who has not had

32 an increase of at least eight rate classes from the previous tax rate
33 year.))

--- END ---