

# HOUSE BILL REPORT

## HB 1843

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**As Reported by House Committee On:**  
Labor & Workplace Standards

**Title:** An act relating to students' eligibility to receive unemployment insurance benefits.

**Brief Description:** Concerning students' eligibility to receive unemployment insurance benefits.

**Sponsors:** Representatives Entenman, Berry, Parshley, Scott, Wylie, Pollet, Hill, Doglio and Obras.

**Brief History:**

**Committee Activity:**

Labor & Workplace Standards: 2/11/25, 2/18/25 [DP].

**Brief Summary of Bill**

- Repeals the provision disqualifying an otherwise eligible worker from receiving unemployment insurance benefits on the basis that the worker is registered in school for a course of study of 12 or more instructional hours per week.

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### HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

**Majority Report:** Do pass. Signed by 8 members: Representatives Berry, Chair; Fosse, Vice Chair; Scott, Vice Chair; Schmidt, Ranking Minority Member; Ybarra, Assistant Ranking Minority Member; Bronoske, Obras and Ortiz-Self.

**Minority Report:** Without recommendation. Signed by 1 member: Representative McEntire.

**Staff:** Kelly Leonard (786-7147).

**Background:**

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

The unemployment insurance (UI) system, administered by the Employment Security Department (ESD), is designed to provide partial wage replacement for unemployed workers. A worker is eligible to receive benefits if he or she: worked at least 680 hours in covered employment in his or her base year; was separated from employment through no fault of his or her own or quit work for good cause; and is able to work and is actively searching for work. The current maximum weekly benefit amount is \$1,079.

An otherwise eligible worker is disqualified from receiving UI benefits if the worker is registered in school for a course of study with 12 or more instructional hours per week in a program lasting 60 days or longer. The disqualification applies to students registered in any primary school, secondary school, or institutions of higher education. But the ESD may grant an exemption if the worker demonstrates by a preponderance of the evidence that he or she is available to work. In these instances, the ESD must consider the following factors: prior work history; scholastic history; past and current labor market attachment; and past and present efforts to seek work.

The UI system is funded by taxes and payments made by employers. Most employers are contribution-paying employers, referred to as taxable employers. For this category, benefits are financed through employer contributions, referred to as payroll taxes. An employer's contributions are determined by multiple factors, including an experience rating based on the benefits paid to its employees. State and local governments, federally recognized tribes, and some nonprofit organizations qualify as reimbursable employers. For reimbursable employers, the employer reimburses the ESD for benefits actually paid to separated employees instead of paying payroll taxes.

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**Summary of Bill:**

The bill repeals the provision disqualifying an otherwise eligible worker from receiving UI benefits on the basis that the worker is registered in school for a course of study of 12 or more instructional hours per week, thereby allowing such an eligible worker to receive UI benefits.

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**Appropriation:** None.

**Fiscal Note:** Preliminary fiscal note available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) Current law provides an automatic disqualification from unemployment insurance when a worker is enrolled in school, even though they meet other eligibility criteria. Many students are unaware of the option to challenge the disqualification. The entire process poses an unnecessary burden to workers and does not reflect the nature of the modern workforce. There are many opportunities to attend school while working, like online courses and night classes. The bill removes the automatic disqualification to streamline the applicant process for these students who are otherwise eligible for unemployment insurance. The bill does not change the requirement for the student to remain available for at least 40 hours per week. This is an important change to support student workers.

(Opposed) None.

**Persons Testifying:** Representative Debra Entenman, prime sponsor; Anne Paxton, Unemployment Law Project; and Christoph Mair, Washington State Labor Council.

**Persons Signed In To Testify But Not Testifying:** None.