

# SENATE BILL REPORT

## HB 2264

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As of February 12, 2026

**Title:** An act relating to unemployment insurance benefits for workers separated from employment as a result of employer-initiated layoffs or workforce reductions.

**Brief Description:** Concerning unemployment insurance benefits for workers separated from employment as a result of employer-initiated layoffs or workforce reductions.

**Sponsors:** Representatives Berry, Scott, Reed, Obras, Parshley, Thomas, Ormsby, Fosse and Pollet.

**Brief History:** Passed House: 2/10/26, 94-0.

**Committee Activity:** Labor & Commerce: 2/20/26.

### Brief Summary of Bill

- Allows an individual to be eligible for unemployment benefit when voluntarily participating in an employer-initiated layoff or reduction in force so long as the separating employer terminates the employment as a result of the layoff or reduction in force plan.

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### SENATE COMMITTEE ON LABOR & COMMERCE

**Staff:** Susan Jones (786-7404)

**Background:** Unemployment Insurance Benefits. The Employment Security Department (ESD) administers Washington State's unemployment insurance (UI) program. An unemployed individual is eligible to receive UI benefits if the individual:

- worked at least 680 hours in the base year;
- was separated from employment through no fault of the claimant's or quit work for a specified good cause; and
- is able and available to work and is actively searching for suitable work.

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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.*

A claimant must be unemployed for a one-week waiting period before being eligible for UI benefits. Eligible workers can receive up to 26 weeks of UI benefits in a benefit year. The weekly benefit amount is calculated based on the eligible worker's earnings in the prior base year and then adjusted based on a statutory formula. The current maximum weekly benefit amount is \$1,152.

Disqualification from Benefits. An individual is disqualified from UI benefits beginning with the first day of the calendar week in which the individual left work voluntarily without good cause and for seven calendar weeks thereafter and until the claimant obtains bona fide work and earned wages equal to seven times the individual's weekly benefit amount. Exceptions apply.

Exception for Planned Layoffs. An ESD rule provides that an individual will not be considered to have been separated from employment for a disqualifying reason when:

- the employer takes the first action in the separation process by announcing in writing to its employees that the employer plans to reduce its work force through a layoff or reduction in force, and that employees can offer to be among those included in the layoff or reduction in force;
- the employee offers to be one of the employees included in the layoff or reduction in force; and
- the employer takes the final action in the separation process by accepting the employee's offer to be one of the employees included in the layoff or reduction in force, thereby ending the employment relationship.

The rule does not apply to situations where an employer modifies benefits or otherwise encourages early retirement or early separation, but the employer and employee do not follow the required steps.

**Summary of Bill:** The ESD rule regarding UI eligibility for an employee voluntarily participating in an employer-initiated layoff or reduction in force is codified in statute for separations beginning June 14, 2026, and modified by:

- removing the requirement that the employer take the final action in the separation process by accepting the employee's offer to be included in the layoff or reduction in force, and instead requiring only that the separating employer terminate the individual's employment as a result of the layoff or reduction in force plans; and
- providing that a separating employer may allow employees to rescind an offer; and allowing the option to rescind an offer does not disqualify an individual from benefits, provided that the separation from employment met the other requirements.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.