

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE SENATE BILL 5041**

69th Legislature  
2025 Regular Session

Passed by the Senate April 25, 2025  
Yeas 27 Nays 21

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**President of the Senate**

Passed by the House April 25, 2025  
Yeas 51 Nays 45

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**Speaker of the House of  
Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5041** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**ENGROSSED SUBSTITUTE SENATE BILL 5041**

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AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 2025 Regular Session

**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senate Labor & Commerce (originally sponsored by Senators Riccelli, Conway, Hasegawa, Saldaña, Salomon, Stanford, Dhingra, Nobles, Trudeau, Valdez, Bateman, Lovelett, Cleveland, Frame, Orwall, Pedersen, Slatter, Wellman, and C. Wilson)

READ FIRST TIME 02/18/25.

1       AN ACT Relating to unemployment insurance benefits for striking  
2 or lockout workers; amending RCW 50.20.090, 50.20.160, 50.29.021, and  
3 50.29.026; adding new sections to chapter 50.20 RCW; adding new  
4 sections to chapter 49.08 RCW; creating a new section; repealing RCW  
5 49.08.060; providing an effective date; and providing expiration  
6 dates.

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

8       **Sec. 1.** RCW 50.20.090 and 1988 c 83 s 1 are each amended to read  
9 as follows:

10       (1) An individual shall be disqualified for benefits for any week  
11 with respect to which the commissioner finds that the individual's  
12 unemployment is((÷

13       ~~(a) Due~~) due to a strike at the factory, establishment, or other  
14 premises at which the individual is or was last employed(~~(÷ or~~

15       ~~(b) Due to a lockout by his or her employer who is a member of a~~  
16 ~~multiemployer bargaining unit and who has locked out the employees at~~  
17 ~~the factory, establishment, or other premises at which the individual~~  
18 ~~is or was last employed after one member of the multiemployer~~  
19 ~~bargaining unit has been struck by its employees as a result of the~~  
20 ~~multiemployer bargaining process)).~~

1 (2) Subsection (1) of this section shall not apply if it is shown  
2 to the satisfaction of the commissioner that:

3 (a) The individual is not participating in or financing or  
4 directly interested in the strike (~~(or lockout)~~) that caused the  
5 individual's unemployment; and

6 (b) The individual does not belong to a grade or class of workers  
7 of which, immediately before the commencement of the strike (~~(or~~  
8 ~~lockout)~~), there were members employed at the premises at which the  
9 strike (~~(or lockout)~~) occurs, any of whom are participating in or  
10 financing or directly interested in the strike (~~(or lockout)~~):  
11 PROVIDED, That if in any case separate branches of work which are  
12 commonly conducted as separate businesses in separate premises are  
13 conducted in separate departments of the same premises, each such  
14 department shall, for the purpose of this (~~(subdivision)~~) subsection,  
15 be deemed to be a separate factory, establishment, or other premises.

16 (3) (a) Any disqualification imposed under this section shall end  
17 (~~(when)~~) on the earlier of:

18 (i) The second Sunday following the first date of the strike,  
19 provided that the strike is not found to be prohibited by federal or  
20 state law in a final judgment. If a final judgment finds that a  
21 strike is prohibited by state or federal law, any benefits paid are  
22 liable for repayment as set forth in RCW 50.20.190; or

23 (ii) The date the strike (~~(or lockout)~~) is terminated.

24 (b) When the disqualification ends, the individual is subject to  
25 the one week waiting period as provided in RCW 50.20.010 and any  
26 benefits must be calculated in accordance with this chapter. However,  
27 if an individual is unemployed due to a strike at the separating  
28 employer's factory, establishment, or other premises at which the  
29 individual is or was last employed, the individual may receive weekly  
30 benefits for no more than six calendar weeks, subject to other  
31 limitations provided in this title. Any weekly benefits received  
32 unrelated to the individual's unemployment due to a strike may not be  
33 counted toward the six calendar weeks.

34 (4) If benefits are issued as a result of a strike under this  
35 section, the department shall notify the separating employer of the  
36 mediation services available through the public employment relations  
37 commission.

38 **Sec. 2.** RCW 50.20.160 and 2003 2nd sp.s. c 4 s 31 are each  
39 amended to read as follows:

1 (1) A determination of amount of benefits potentially payable  
2 issued pursuant to the provisions of RCW 50.20.120 and 50.20.140  
3 shall not serve as a basis for appeal but shall be subject to request  
4 by the claimant for reconsideration and/or for redetermination by the  
5 commissioner at any time within one year from the date of delivery or  
6 mailing of such determination, or any redetermination thereof:  
7 PROVIDED, That in the absence of fraud or misrepresentation on the  
8 part of the claimant, any benefits paid prior to the date of any  
9 redetermination which reduces the amount of benefits payable shall  
10 not be subject to recovery under the provisions of RCW 50.20.190. A  
11 denial of a request to reconsider or a redetermination shall be  
12 furnished the claimant in writing and provide the basis for appeal  
13 under the provisions of RCW 50.32.020.

14 (2) A determination of denial of benefits issued under the  
15 provisions of RCW 50.20.180 shall become final, in absence of timely  
16 appeal therefrom: PROVIDED, That the commissioner may reconsider and  
17 redetermine such determinations at any time within one year from  
18 delivery or mailing to correct an error in identity, omission of  
19 fact, or misapplication of law with respect to the facts.

20 (3) A determination of allowance of benefits shall become final,  
21 in absence of a timely appeal therefrom: PROVIDED, That the  
22 commissioner may redetermine such allowance at any time within two  
23 years following the benefit year in which such allowance was made in  
24 order to recover any benefits improperly paid and for which recovery  
25 is provided under the provisions of RCW 50.20.190: AND PROVIDED  
26 FURTHER, That in the absence of fraud, misrepresentation, or  
27 nondisclosure, this provision or the provisions of RCW 50.20.190  
28 shall not be construed so as to permit redetermination or recovery of  
29 an allowance of benefits which having been made after consideration  
30 of the provisions of RCW 50.20.010(1)(c), or the provisions of RCW  
31 50.20.050, 50.20.060, or 50.20.080(~~(, or 50.20.090)~~) has become  
32 final.

33 (4) A redetermination may be made at any time: (a) To conform to  
34 a final court decision applicable to either an initial determination  
35 or a determination of denial or allowance of benefits; (b) in the  
36 event of a back pay award or settlement affecting the allowance of  
37 benefits; or (c) in the case of fraud, misrepresentation, or willful  
38 nondisclosure. Written notice of any such redetermination shall be  
39 promptly given by mail or delivered to such interested parties as  
40 were notified of the initial determination or determination of denial

1 or allowance of benefits and any new interested party or parties who,  
2 pursuant to such regulation as the commissioner may prescribe, would  
3 be an interested party.

4 **Sec. 3.** RCW 50.29.021 and 2024 c 51 s 1 are each amended to read  
5 as follows:

6 (1)(a) An experience rating account shall be established and  
7 maintained for each employer, except employers as described in RCW  
8 50.44.010, 50.44.030, and 50.50.030 who have properly elected to make  
9 payments in lieu of contributions, taxable local government employers  
10 as described in RCW 50.44.035, and those employers who are required  
11 to make payments in lieu of contributions, based on existing records  
12 of the employment security department.

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

19 (c) When the eligible individual's separating employer is a  
20 covered contribution paying base year employer, benefits paid to the  
21 eligible individual shall be charged to the experience rating account  
22 of only the individual's separating employer if:

23 (i) The individual qualifies for benefits under RCW 50.20.050  
24 (1)(b)(i) or (2)(b)(i), as applicable, and became unemployed after  
25 having worked and earned wages in the bona fide work;

26 (ii) The individual qualifies for benefits under RCW 50.20.050  
27 (1)(b)(v) through (x) or (2)(b)(v) through (x); (~~or~~)

28 (iii) During a public health emergency, the claimant worked at a  
29 health care facility as defined in RCW 9A.50.010, was directly  
30 involved in the delivery of health services, and was terminated from  
31 work due to entering quarantine because of exposure to or contracting  
32 the disease that is the subject of the declaration of the public  
33 health emergency; or

34 (iv) The individual's unemployment is due to a strike at the  
35 separating employer's factory, establishment, or other premises at  
36 which the individual is or was last employed.

37 (2) The legislature finds that certain benefit payments, in whole  
38 or in part, should not be charged to the experience rating accounts  
39 of employers except those employers described in RCW 50.44.010,

1 50.44.030, and 50.50.030 who have properly elected to make payments  
2 in lieu of contributions, taxable local government employers  
3 described in RCW 50.44.035, and those employers who are required to  
4 make payments in lieu of contributions, as follows in (a) through (i)  
5 of this subsection. The department may not require an employer to  
6 submit a request in order for these benefits to not be charged.

7 (a) Benefits paid to any individual later determined to be  
8 ineligible for those benefits or disqualified to receive those  
9 benefits shall not be charged to the experience rating account of any  
10 contribution paying employer, except:

11 (i) As provided in subsection (4) of this section; or

12 (ii) As provided in subsection (5) of this section.

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

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

19 (ii) The individual files under RCW 50.06.020(2).

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

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

29 (e) If the department determines an individual left the employ of  
30 the separating employer under the circumstances described in RCW  
31 50.20.050(1)(b) (iv) or (xi), (2)(b)(ii), only for separation that  
32 was necessary because the care for a child or a vulnerable adult in  
33 the claimant's care is inaccessible, (iv), (xi), (xii), or (xiii), or  
34 (3), as applicable, benefits paid to that individual shall not be  
35 charged to the experience rating account of any base year  
36 contribution paying employer.

37 (f) Upon approval of an individual's training benefits plan  
38 submitted in accordance with RCW 50.22.155(2), an individual is  
39 considered enrolled in training, and regular benefits beginning with

1 the week of approval shall not be charged to the experience rating  
2 account of any contribution paying employer.

3 (g) Training benefits paid to an individual under RCW 50.22.155  
4 shall not be charged to the experience rating account of any  
5 contribution paying employer.

6 (h) (i) Benefits paid during the one week waiting period when the  
7 one week waiting period is fully paid or fully reimbursed by the  
8 federal government shall not be charged to the experience rating  
9 account of any contribution paying employer.

10 (ii) In the event the one week waiting period is partially paid  
11 or partially reimbursed by the federal government, the department  
12 may, by rule, elect to not charge, in full or in part, benefits paid  
13 during the one week waiting period to the experience rating account  
14 of any contribution paying employer.

15 (i) Benefits paid for all weeks starting with the week ending  
16 March 28, 2020, and ending with the week ending May 30, 2020, shall  
17 not be charged to the experience rating account of any contribution  
18 paying employer.

19 (3) (a) A contribution paying base year employer, except employers  
20 as provided in subsection (5) of this section, not otherwise eligible  
21 for relief of charges for benefits under this section, may receive  
22 such relief if the benefit charges result from payment to an  
23 individual who:

24 (i) Last left the employ of such employer voluntarily for reasons  
25 not attributable to the employer. In addition to other circumstances  
26 identified by the department by rule, an individual who leaves the  
27 employ of such employer under the circumstances described in RCW  
28 50.20.050(1)(b) (iv) or (xi), (2)(b) (iv), (xi), or (xii), or (3)  
29 must be deemed to have left their employ for reasons not attributable  
30 to the employer;

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

34 (iii) Is unemployed as a result of closure or severe curtailment  
35 of operation at the employer's plant, building, worksite, or other  
36 facility. This closure must be for reasons directly attributable to a  
37 catastrophic occurrence such as fire, flood, or other natural  
38 disaster, or to the presence of any dangerous, contagious, or  
39 infectious disease that is the subject of a public health emergency  
40 at the employer's plant, building, worksite, or other facility;

1 (iv) Continues to be employed by the employer seeking relief and:  
2 (A) The employer furnished part-time work to the individual during  
3 the base year; (B) the individual has become eligible for benefits  
4 because of loss of employment with one or more other employers; and  
5 (C) the employer has continued to furnish or make available part-time  
6 work to the individual in substantially the same amount as during the  
7 individual's base year. This subsection does not apply to shared work  
8 employers under chapter 50.60 RCW;

9 (v) Was hired to replace an employee who is a member of the  
10 military reserves or National Guard and was called to federal active  
11 military service by the president of the United States and is  
12 subsequently laid off when that employee is reemployed by their  
13 employer upon release from active duty within the time provided for  
14 reemployment in RCW 73.16.035;

15 (vi) Worked for an employer for 20 weeks or less, and was laid  
16 off at the end of temporary employment when that employee temporarily  
17 replaced a permanent employee receiving family or medical leave  
18 benefits under Title 50A RCW, and the layoff is due to the return of  
19 that permanent employee. This subsection (3)(a)(vi) applies to claims  
20 with an effective date on or after January 1, 2020; or

21 (vii) Was discharged because the individual was unable to satisfy  
22 a job prerequisite required by law or administrative rule.

23 (b) The employer requesting relief of charges under this  
24 subsection must request relief in writing within 30 days following  
25 mailing to the last known address of the notification of the valid  
26 initial determination of such claim, stating the date and reason for  
27 the separation or the circumstances of continued employment. The  
28 department may waive this time limitation for good cause. The  
29 commissioner, upon investigation of the request, shall determine  
30 whether relief should be granted.

31 (4) When a benefit claim becomes invalid due to an amendment or  
32 adjustment of a report where the employer failed to report or  
33 inaccurately reported hours worked or remuneration paid, or both, all  
34 benefits paid will be charged to the experience rating account of the  
35 contribution paying employer or employers that originally filed the  
36 incomplete or inaccurate report or reports. An employer who  
37 reimburses the trust fund for benefits paid to workers and who fails  
38 to report or inaccurately reported hours worked or remuneration paid,  
39 or both, shall reimburse the trust fund for all benefits paid that



1 are based on the originally filed incomplete or inaccurate report or  
2 reports.

3 (5) An employer's experience rating account may not be relieved  
4 of charges for a benefit payment and an employer who reimburses the  
5 trust fund for benefit payments may not be credited for a benefit  
6 payment if a benefit payment was made because the employer or  
7 employer's agent failed to respond timely or adequately to a written  
8 request of the department for information relating to the claim or  
9 claims without establishing good cause for the failure and the  
10 employer or employer's agent has a pattern of such failures. The  
11 commissioner has the authority to determine whether the employer has  
12 good cause under this subsection.

13 (a) For the purposes of this subsection, "adequately" means  
14 providing accurate information of sufficient quantity and quality  
15 that would allow a reasonable person to determine whether an  
16 individual is eligible for or qualified to receive benefits.

17 (b) (i) For the purposes of this subsection, "pattern" means a  
18 benefit payment was made because the employer or employer's agent  
19 failed to respond timely or adequately to a written request of the  
20 department for information relating to a claim or claims without  
21 establishing good cause for the failure, if the greater of the  
22 following calculations for an employer is met:

23 (A) At least three times in the previous two years; or

24 (B) Twenty percent of the total current claims against the  
25 employer.

26 (ii) If an employer's agent is utilized, a pattern is established  
27 based on each individual client employer that the employer's agent  
28 represents.

29 **Sec. 4.** RCW 50.29.026 and 2024 c 52 s 1 are each amended to read  
30 as follows:

31 (1) A qualified employer's contribution rate or array calculation  
32 factor rate determined under RCW 50.29.025 may be modified as  
33 follows:

34 (a) Subject to the limitations of this subsection, an employer  
35 may make a voluntary contribution of an amount equal to part or all  
36 of the benefits charged to the employer's account during the two  
37 years most recently ended on June 30th that were used for the purpose  
38 of computing the employer's contribution rate or array calculation  
39 factor rate. On receiving timely payment of a voluntary contribution,

1 the commissioner shall cancel the benefits equal to the amount of the  
2 voluntary contribution and compute a new benefit ratio for the  
3 employer. The employer shall then be assigned the contribution rate  
4 or array calculation factor rate applicable for rate years beginning  
5 on or after January 1, 2005, applicable to the rate class within  
6 which the recomputed benefit ratio is included. The minimum amount of  
7 a voluntary contribution must be an amount that will result in a  
8 recomputed benefit ratio that is in a rate class at least two rate  
9 classes lower than the rate class that included the employer's  
10 original benefit ratio.

11 (b) Payment of a voluntary contribution is considered timely if  
12 received by the department during the period beginning on the date of  
13 mailing to the employer the notice of contribution rate required  
14 under this title for the rate year for which the employer is seeking  
15 a modification of the employer's rate and ending on March (~~31st~~)  
16 1st of that rate year.

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

20 (2) This section does not apply to any employer who has not had  
21 an increase of at least eight rate classes from the previous tax rate  
22 year.

23 (3) If a contribution paying employer is charged benefits due to  
24 a strike under RCW 50.29.021, the department may:

25 (a) Evaluate whether the employer is eligible to make a voluntary  
26 contribution under this section; and

27 (b) Provide notice to eligible employers of the department's  
28 determination of the employer's eligibility to make a voluntary  
29 contribution.

30 NEW SECTION. Sec. 5. A new section is added to chapter 50.20  
31 RCW to read as follows:

32 (1) If an individual receives benefits under this title while  
33 being unemployed due to a strike at the separating employer's  
34 factory, establishment, or other premises and the individual  
35 subsequently receives retroactive wages from the separating employer  
36 for any week for which he or she received benefits under this title,  
37 the department shall issue an overpayment assessment to recover the  
38 corresponding benefits as provided under RCW 50.20.190.

39 (2) This section expires December 31, 2035.

1        NEW SECTION.    **Sec. 6.**    If any part of this act is found to be in  
2 conflict with federal requirements that are a prescribed condition to  
3 the allocation of federal funds to the state or the eligibility of  
4 employers in this state for federal unemployment tax credits, the  
5 conflicting part of this act is inoperative solely to the extent of  
6 the conflict, and the finding or determination does not affect the  
7 operation of the remainder of this act. Rules adopted under this act  
8 must meet federal requirements that are a necessary condition to the  
9 receipt of federal funds by the state or the granting of federal  
10 unemployment tax credits to employers in this state.

11        NEW SECTION.    **Sec. 7.**    A new section is added to chapter 50.20  
12 RCW to read as follows:

13            (1) By December 31, 2026, and continuing annually each year  
14 through 2035, the department must submit a report to the legislature  
15 on the prevalence of strikes occurring within Washington and the  
16 impact of strikes on the unemployment insurance trust fund. The  
17 report must include, at a minimum:

18            (a) The total number of strikes occurring that year within  
19 Washington, the industry sectors in which strikes occurred, the  
20 number of employees that participated in each strike, the number of  
21 unemployment claims paid to workers participating in the strike, the  
22 total amount of unemployment benefits paid, the number of employers  
23 who experienced a rate class increase in the year following a labor  
24 strike, including the rate class for each employer without  
25 identifying information for the year prior to the strike and for the  
26 year following the strike, any increase in the social cost factor  
27 rate from the year prior to the strike and the year following the  
28 strike, and the benefits paid which are charged to employers who make  
29 payments in lieu of contributions;

30            (b) The sum totals of all previous years' information required  
31 under (a) of this subsection since the effective date of this  
32 section; and

33            (c) The sum totals of the information required in (a) of this  
34 subsection for each year in the 10 years prior to the effective date  
35 of this section as well as the sum of those 10 years.

36            (2) This section expires January 1, 2036.

37        NEW SECTION.    **Sec. 8.**    A new section is added to chapter 49.08  
38 RCW to read as follows:

1 (1) Where referral to publicly supported dispute resolution  
2 services through the federal mediation and conciliation service or  
3 other applicable federal agency is impracticable or where those  
4 services are unavailable due to federal staffing or funding  
5 reductions, the public employment relations commission may charge  
6 private sector employers and labor organizations a fee for covering  
7 the costs of services provided under this chapter.

8 (2) Fees collected under this section must be deposited into the  
9 private sector labor dispute resolution account created in section 9  
10 of this act.

11 NEW SECTION. **Sec. 9.** A new section is added to chapter 49.08  
12 RCW to read as follows:

13 The private sector labor dispute resolution account is created in  
14 the custody of the state treasurer. All fees collected under section  
15 8 of this act must be deposited into the account. The executive  
16 director of the public employment relations commission may authorize  
17 expenditures from the account solely for the administration,  
18 staffing, and other related expenses of private sector labor dispute  
19 resolution services under this chapter. The account is subject to  
20 allotment procedures under chapter 43.88 RCW, but an appropriation is  
21 not required for expenditures.

22 NEW SECTION. **Sec. 10.** RCW 49.08.060 (Tender on exhaustion of  
23 available funds) and 1903 c 58 s 6 are each repealed.

24 NEW SECTION. **Sec. 11.** Sections 1 through 7 of this act take  
25 effect January 1, 2026.

26 NEW SECTION. **Sec. 12.** Sections 1 through 4 of this act expire  
27 December 31, 2035.

--- END ---