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HOUSE BILL 1338

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State of Washington

52nd Legislature

1991 Regular Session

By Representatives Heavey, McLean and O'Brien; by request of Employment Security Department.

Read first time January 25, 1991. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to unemployment compensation deductions for social  
2 security pensions; amending RCW 50.04.323; creating a new section;  
3 providing an effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 50.04.323 and 1983 1st ex.s. c 23 s 7 are each amended  
6 to read as follows:

7 (1) The amount of benefits payable to an individual for any week  
8 which begins after October 3, 1980, and which begins in a period with  
9 respect to which such individual is receiving a governmental or other  
10 pension, retirement or retired pay, annuity, or any other similar  
11 periodic payment which is based on the previous work of such individual  
12 shall be reduced (but not below zero) by an amount equal to the amount  
13 of such pension, retirement or retired pay, annuity, or other payment,  
14 which is reasonably attributable to such week: PROVIDED, That

1 (a) The requirements of this subsection shall apply to any pension,  
2 retirement or retired pay, annuity, or other similar periodic payment  
3 only if--

4 (i) Such pension, retirement or retired pay, annuity, or similar  
5 payment is under a plan maintained (or contributed to) by a base period  
6 employer; and

7 (ii) In the case of such a payment not made under the Social  
8 Security Act or the Railroad Retirement Act of 1974 (or corresponding  
9 provisions of prior law), services performed for such employer by the  
10 individual after the beginning of the base period (or remuneration for  
11 such services) affect eligibility for, or increase the amount of, such  
12 pension, retirement or retired pay, annuity, or similar payment;  
13 ((and))

14 (b) The amount of any such a reduction shall take into account  
15 contributions made by the individual for the pension, retirement or  
16 retired pay, annuity, or other similar periodic payment, in accordance  
17 with regulations prescribed by the commissioner; and

18 (c) No deduction shall be made from the amount of benefits payable  
19 for a week for individuals receiving federal social security pensions.

20 (2) In the event that a retroactive pension or retirement payment  
21 covers a period in which an individual received benefits under the  
22 provisions of this title, the amount in excess of the amount to which  
23 such individual would have been entitled had such retirement or pension  
24 payment been considered as provided in this section shall be  
25 recoverable under RCW 50.20.190.

26 (3) A lump sum payment accumulated in a plan described in this  
27 section paid to an individual eligible for such payment shall be  
28 prorated over the life expectancy of the individual computed in  
29 accordance with the commissioner's regulation.

1 (4) The resulting weekly benefit amount payable after reduction  
2 under this section, if not a multiple of one dollar, shall be reduced  
3 to the next lower multiple of one dollar.

4 (5) Any ambiguity in subsection (1) of this section should be  
5 construed in a manner consistent with 26 U.S.C. Sec. 3304 (a)(15) as  
6 last amended by P.L. 96-364.

7 NEW SECTION. **Sec. 2.** If any part of this act is found to be in  
8 conflict with federal requirements which are a prescribed condition to  
9 the allocation of federal funds to the state or the eligibility of  
10 employers in this state for federal unemployment tax credits, the  
11 conflicting part of this act is hereby declared to be inoperative  
12 solely to the extent of the conflict, and such finding or determination  
13 shall not affect the operation of the remainder of this act. The rules  
14 under this act shall meet federal requirements which are a necessary  
15 condition to the receipt of federal funds by the state or the granting  
16 of federal unemployment tax credits to employers in this state.

17 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of the  
19 state government and its existing public institutions, and shall take  
20 effect July 7, 1991, for weeks of unemployment beginning on or after  
21 July 7, 1991.