

2 **ESB 6480 - H COMM AMD ADOPTED 3-4-94**

3 By Committee on Commerce & Labor

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 50.20 RCW
8 to read as follows:

9 The employment security department shall report to the appropriate
10 standing committees of the legislature no later than July 1, 1995,
11 regarding any updating of the department's computer technology that is
12 necessary to or could address eliminating or reducing the need to make
13 conditional payments.

14 **Sec. 2.** RCW 50.16.094 and 1993 c 226 s 6 are each amended to read
15 as follows:

16 An individual may be eligible for applicable employment security
17 benefits while participating in work force training. Eligibility is at
18 the discretion of the commissioner of employment security after
19 submitting a commissioner-approved training waiver and developing a
20 detailed individualized training plan.

21 ~~((Benefits paid under this section may not be charged to the
22 experience rating accounts of individual employers.))~~

23 The commissioner shall adopt rules as necessary to implement this
24 section.

25 **Sec. 3.** RCW 50.22.090 and 1993 c 316 s 10 are each amended to read
26 as follows:

27 (1) An additional benefit period is established for counties
28 identified under subsection (2) of this section beginning on the first
29 Sunday after July 1, 1991, and for the forest products industry
30 beginning with the third week after the first Sunday after July 1,
31 1991. Benefits shall be paid as provided in subsection (3) of this
32 section to exhaustees eligible under subsection (4) of this section.

33 (2) The additional benefit period applies to counties having a
34 population of less than five hundred thousand beginning with the third

1 week after a week in which the commissioner determines that a county
2 meets two of the following three criteria, as determined by the
3 department, for the most recent year in which such data is available:
4 (a) A lumber and wood products employment location quotient at or above
5 the state average; (b) projected or actual direct lumber and wood
6 products job losses of one hundred positions or more, except counties
7 having a population greater than two hundred thousand but less than
8 five hundred thousand must have direct lumber and wood products job
9 losses of one thousand positions or more; or (c) an annual unemployment
10 rate twenty percent or more above the state average. The additional
11 benefit period for a county may end no sooner than fifty-two weeks
12 after the additional benefit period begins.

13 (3) Additional benefits shall be paid as follows:

14 (a) No new claims for additional benefits shall be accepted for
15 weeks beginning after July 1, 1995, but for claims established on or
16 before July 1, 1995, weeks of unemployment occurring after July 1,
17 1995, shall be compensated as provided in this section.

18 (b) The total additional benefit amount shall be one hundred four
19 times the individual's weekly benefit amount, reduced by the total
20 amount of regular benefits and extended benefits paid, or deemed paid,
21 with respect to the benefit year. Additional benefits shall not be
22 payable for weeks more than two years beyond the end of the benefit
23 year of the regular claim for an individual whose benefit year ends on
24 or after July 27, 1991, and shall not be payable for weeks ending on or
25 after two years after March 26, 1992, for individuals who become
26 eligible as a result of chapter 47, Laws of 1992.

27 (c) Notwithstanding the provisions of (b) of this subsection,
28 individuals will be entitled to up to five additional weeks of benefits
29 following the completion or termination of training.

30 (d) The weekly benefit amount shall be calculated as specified in
31 RCW 50.22.040.

32 (e) Benefits paid under this section shall be paid under the same
33 terms and conditions as regular benefits (~~and shall not be charged to~~
34 ~~the experience rating account of individual employers~~). The
35 additional benefit period shall be suspended with the start of an
36 extended benefit period, or any totally federally funded benefit
37 program, with eligibility criteria and benefits comparable to the
38 program established by this section, and shall resume the first week
39 following the end of the federal program.

1 (f) The amendments in chapter 316, Laws of 1993 affecting
2 subsection (3) (b) and (c) of this section shall apply in the case of
3 all individuals determined to be monetarily eligible under this section
4 without regard to the date eligibility was determined.

5 (4) An additional benefit eligibility period is established for any
6 exhaustee who:

7 (a)(i) At the time of last separation from employment, resided in
8 or was employed in a county identified under subsection (2) of this
9 section; or

10 (ii) During his or her base year, earned wages in at least six
11 hundred eighty hours in the forest products industry, which shall be
12 determined by the department but shall include the industries assigned
13 the major group standard industrial classification codes "24" and "26"
14 and the industries involved in the harvesting and management of logs,
15 transportation of logs and wood products, processing of wood products,
16 and the manufacturing and distribution of wood processing and logging
17 equipment. The commissioner may adopt rules further interpreting the
18 industries covered under this subsection. For the purposes of this
19 subsection, "standard industrial classification code" means the code
20 identified in RCW 50.29.025(6)(c); and

21 (b)(i) Has received notice of termination or layoff; and

22 (ii) Is unlikely to return to employment in his or her principal
23 occupation or previous industry because of a diminishing demand within
24 his or her labor market for his or her skills in the occupation or
25 industry; and

26 (c)(i)(A) Is notified by the department of the requirements of this
27 section and develops an individual training program that is submitted
28 to the commissioner for approval not later than sixty days after the
29 individual is notified of the requirements of this section, and enters
30 the approved training program not later than ninety days after the date
31 of the individual's termination or layoff, or ninety days after July 1,
32 1991, whichever is later, unless the department determines that the
33 training is not available during the ninety-day period, in which case
34 the individual shall enter training as soon as it is available; or

35 (B) Is unemployed as the result of a plant closure that occurs
36 after November 1, 1992, in a county identified under subsection (2) of
37 this section, did not comply with the requirements of (c)(i)(A) of this
38 subsection due to good cause as demonstrated to the department, such as
39 ambiguity over possible sale of the plant, develops a training program

1 that is submitted to the commissioner for approval not later than sixty
2 days from a date determined by the department to accommodate the good
3 cause, and enters the approved training program not later than ninety
4 days after the revised date established by the department, unless the
5 department determines that the training is not available during the
6 ninety-day period, in which case the individual shall enter training as
7 soon as it is available; or

8 (ii) Is enrolled in training approved under this section on a full-
9 time basis and maintains satisfactory progress in the training; and

10 (d) Does not receive a training allowance or stipend under the
11 provisions of any federal or state law.

12 (5) For the purposes of this section:

13 (a) "Training program" means:

14 (i) A remedial education program determined to be necessary after
15 counseling at the educational institution in which the individual
16 enrolls pursuant to his or her approved training program; or

17 (ii) A vocational training program at an educational institution
18 that:

19 (A) Is training for a labor demand occupation;

20 (B) Is likely to facilitate a substantial enhancement of the
21 individual's marketable skills and earning power; and

22 (C) Does not include on-the-job training or other training under
23 which the individual is paid by an employer for work performed by the
24 individual during the time that the individual receives additional
25 benefits under subsection (1) of this section.

26 (b) "Educational institution" means an institution of higher
27 education as defined in RCW 28B.10.016 or an educational institution as
28 defined in RCW 28C.04.410(3).

29 (c) "Training allowance or stipend" means discretionary use, cash-
30 in-hand payments available to the individual to be used as the
31 individual sees fit, but does not mean direct or indirect compensation
32 for training costs, such as tuition or books and supplies.

33 (6) The commissioner shall adopt rules as necessary to implement
34 this section.

35 (7) For the purpose of this section, an individual who has a
36 benefit year beginning after January 1, 1989, and ending before July
37 27, 1991, shall be treated as if his or her benefit year ended on July
38 27, 1991.

1 **Sec. 4.** RCW 50.29.020 and 1993 c 483 s 19 are each amended to read
2 as follows:

3 (1) An experience rating account shall be established and
4 maintained for each employer, except employers as described in RCW
5 50.44.010 and 50.44.030 who have properly elected to make payments in
6 lieu of contributions, taxable local government employers as described
7 in RCW 50.44.035, and those employers who are required to make payments
8 in lieu of contributions, based on existing records of the employment
9 security department. Benefits paid to any eligible individuals shall
10 be charged to the experience rating accounts of each of such
11 individual's employers during the individual's base year in the same
12 ratio that the wages paid by each employer to the individual during the
13 base year bear to the wages paid by all employers to that individual
14 during that base year, except as otherwise provided in this section.

15 (2) The legislature finds that certain benefit payments, in whole
16 or in part, should not be charged to the experience rating accounts of
17 employers except those employers described in RCW 50.44.010 and
18 50.44.030 who have properly elected to make payments in lieu of
19 contributions, taxable local government employers described in RCW
20 50.44.035, and those employers who are required to make payments in
21 lieu of contributions, as follows:

22 (a) Benefits paid to any individuals later determined to be
23 ineligible shall not be charged to the experience rating account of any
24 contribution paying employer.

25 (b) ~~((Benefits paid to an individual under the provisions of RCW
26 50.12.050 shall not be charged to the account of any contribution
27 paying employer if the wage credits earned in this state by the
28 individual during his or her base year are less than the minimum amount
29 necessary to qualify the individual for unemployment benefits.~~

30 ~~(e))~~ Benefits paid to an individual filing under the provisions of
31 chapter 50.06 RCW shall not be charged to the experience rating account
32 of any contribution paying employer only if:

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

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

37 ~~((d))~~ (c) Benefits paid which represent the state's share of
38 benefits payable under chapter 50.22 RCW shall not be charged to the
39 experience rating account of any contribution paying employer.

1 ~~((e))~~ (d) In the case of individuals who requalify for benefits
2 under RCW 50.20.050 or 50.20.060, benefits based on wage credits earned
3 prior to the disqualifying separation shall not be charged to the
4 experience rating account of the contribution paying employer from whom
5 that separation took place.

6 ~~((f))~~ (e) In the case of individuals identified under RCW
7 50.20.015, benefits paid with respect to a calendar quarter, which
8 exceed the total amount of wages earned in the state of Washington in
9 the higher of two corresponding calendar quarters included within the
10 individual's determination period, as defined in RCW 50.20.015, shall
11 not be charged to the experience rating account of any contribution
12 paying employer.

13 ~~((g) Benefits paid to an individual who does not successfully
14 complete an approved on the job training program under RCW 50.12.240
15 may not be charged to the experience rating account of the
16 contribution paying employer who provided the approved on the job
17 training.))~~

18 (3)(a) Beginning July 1, 1985, a contribution-paying base year
19 employer, not otherwise eligible for relief of charges for benefits
20 under this section, may receive such relief if the benefit charges
21 result from payment to an individual who:

22 (i) Last left the employ of such employer voluntarily for reasons
23 not attributable to the employer;

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

26 (iii) Is unemployed as a result of closure or severe curtailment of
27 operation at the employer's plant, building, work site, or other
28 facility. This closure must be for reasons directly attributable to a
29 catastrophic occurrence such as fire, flood, or other natural disaster;
30 or

31 (iv) Continues to be employed on a regularly scheduled permanent
32 part-time basis by a base year employer and who at some time during the
33 base year was concurrently employed and subsequently separated from at
34 least one other base year employer. Benefit charge relief ceases when
35 the employment relationship between the employer requesting relief and
36 the claimant is terminated. This subsection does not apply to shared
37 work employers under chapter 50.60 RCW.

38 (b) The employer requesting relief of charges under this subsection
39 must request relief in writing within thirty days following mailing to

1 the last known address of the notification of the valid initial
2 determination of such claim, stating the date and reason for the
3 separation or the circumstances of continued employment. The
4 commissioner, upon investigation of the request, shall determine
5 whether relief should be granted.

6 **Sec. 5.** RCW 50.29.062 and 1989 c 380 s 81 are each amended to read
7 as follows:

8 Predecessor and successor employer contribution rates shall be
9 computed in the following manner:

10 (1) If the successor is an employer, as defined in RCW 50.04.080,
11 at the time of the transfer, ((his or her)) its contribution rate shall
12 remain unchanged for the remainder of the rate year in which the
13 transfer occurs. From and after January 1 following the transfer, the
14 successor's contribution rate for each rate year shall be based on
15 ((his or her)) its experience with payrolls and benefits including the
16 experience of the acquired business or portion of a business from the
17 date of transfer, as of the regular computation date for that rate
18 year.

19 (2) If the successor is not an employer at the time of the
20 transfer, ((he or she)) it shall pay contributions at the ((rate class
21 assigned to the predecessor employer at the time of the transfer for
22 the remainder for that rate year and continuing until such time as he
23 or she qualifies for a different rate in his or her own right)) lowest
24 rate as determined by either of the following manners:

25 (a) At the rate class assigned to the predecessor employer at the
26 time of the transfer for the remainder of that rate year and continuing
27 until the successor qualifies for a different rate in its own right.
28 Any experience relating to the assignment of that rate class
29 attributable to the predecessor is transferred to the successor; or

30 (b) At the contribution rate equal to the average industry rate as
31 determined by the commissioner and continuing until the successor
32 qualifies for a different rate in its own right. However, the rate may
33 not be less than one percent. Assignment of employers by the
34 commissioner to industrial classification, for purposes of this
35 subsection, must be in accordance with established classification
36 practices found in the "Standard Industrial Classification Manual"
37 issued by the federal office of management and budget to the third
38 digit provided in the standard industrial classification code.

1 (3) If the successor is not an employer at the time of the transfer
2 and simultaneously acquires the business or a portion of the business
3 of two or more employers in different rate classes, (~~his or her~~) its
4 rate from the date the transfer occurred until the end of that rate
5 year and until (~~he or she~~) it qualifies in (~~his or her~~) its own
6 right for a new rate, shall be the highest rate class applicable at the
7 time of the acquisition to any predecessor employer who is a party to
8 the acquisition.

9 (4) The contribution rate on any payroll retained by a predecessor
10 employer shall remain unchanged for the remainder of the rate year in
11 which the transfer occurs.

12 (5) In all cases, from and after January 1 following the transfer,
13 the predecessor's contribution rate for each rate year shall be based
14 on (~~his or her~~) its experience with payrolls and benefits as of the
15 regular computation date for that rate year including the experience of
16 the acquired business or portion of business up to the date of
17 transfer: PROVIDED, That if all of the predecessor's business is
18 transferred to a successor or successors, the predecessor shall not be
19 a qualified employer until (~~he or she~~) it satisfies the requirements
20 of a "qualified employer" as set forth in RCW 50.29.010."

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