

HOUSE BILL REPORT

HB 1340

*As Reported By House Committee on:
Commerce & Labor*

Title: An act relating to deductions from unemployment compensation weekly benefits amounts for earnings from temporary employment.

Brief Description: Revising provisions for deductions from unemployment compensation weekly benefits.

Sponsor(s): Representatives R. Meyers, Heavey and O'Brien; by request of Employment Security Department.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 15, 1991, DP.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *Do pass.* Signed by 11 members: Representatives Heavey, Chair; Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

Staff: Chris Cordes (786-7117).

Background: Claimants eligible for unemployment compensation are permitted to take temporary part-time work. However, if the claimant earns more than \$5 during any week, the claimant's weekly unemployment benefit is reduced by 75 percent of the earnings over \$5. Any amount earned that is \$5 or less is disregarded in computing benefits.

Summary of Bill: The amount of a claimant's weekly earnings that will be disregarded for purposes of computing the claimant's unemployment compensation benefits is raised from \$5 to \$25.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect July 7, 1991, for weeks of unemployment beginning on or after July 7, 1991.

Testimony For: This change will benefit the unemployment system because it encourages claimants to take part-time work. In some cases, a part-time job can become full-time work for the claimant. The only real question is the level of earnings that will be disregarded in computing benefits. The current bill may not go far enough to accomplish its objective.

Testimony Against: None.

Witnesses: Graeme Sackrison, Employment Security Department (in favor); Cindy Zehnder, Teamsters (in favor); Jeff Johnson, Washington State Labor Council (in favor, but bill is too limited); and Clif Finch, Association of Washington Business (in favor if minor concerns are addressed).