

FINAL BILL REPORT

SHB 2069

C 129 L 91
Synopsis As Enacted

Brief Description: Revising provisions for employer relief from unemployment insurance charges.

By House Committee on Commerce & Labor (originally sponsored by Representatives Lisk, Heavey, Ballard, Grant, D. Sommers, Kremen, Fuhrman, Prince, Rayburn, Chandler, Winsley, Mitchell, Vance, Inslee and Silver).

House Committee on Commerce & Labor
Senate Committee on Commerce & Labor

Background: An employer's tax rate under the state's unemployment insurance system is determined, in part, by the amount of benefits paid to its employees. When a claimant receives benefits, the benefits are charged to the experience rating accounts of all the employers in that claimant's base year, in proportion to the amount of wages paid by the employer to the claimant.

If a claimant works more than one job and is terminated from only one of the jobs, he or she may receive partial unemployment benefits. However, the experience rating account of the employer who employed the claimant on a part-time basis during the claimant's base year, and who continues to employ the claimant, will be charged part of the benefits paid to the employee.

Benefit charges are also made against the accounts of shared work employers. These employers operate under a shared work plan that permits the employer to reduce the hours that the employees work in lieu of layoffs. The employees are then eligible for partial unemployment benefits.

Summary: An employer's unemployment insurance experience rating account will not be charged for the benefits paid to its part-time employees who are receiving unemployment compensation. This exemption applies only during the period that the employer continues to employ the claimant. The employer must request relief from the charges by notifying the Employment Security Department in writing within 30 days of notice of the claimant's application for benefits.

These provisions do not apply to an employer operating under a shared work plan.

Votes on Final Passage:

House	98	0
Senate	34	5

Effective: July 28, 1991