

2 **SB 6480** - S AMD  
3 By Senators Vognild and Newhouse

4 ADOPTED 2/15/94

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 standing  
10 committees of the legislature no later than July 1, 1995, regarding any  
11 updating of the department's computer technology that is necessary to  
12 or could address eliminating or reducing the need to make conditional  
13 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 for that rate year. Any  
27 experience relating to the assignment of that rate class attributable  
28 to the predecessor is transferred to the successor; or

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

37 (3) If the successor is not an employer at the time of the transfer  
38 and simultaneously acquires the business or a portion of the business

1 of two or more employers in different rate classes, (~~his or her~~) its  
2 rate from the date the transfer occurred until the end of that rate  
3 year and until (~~he or she~~) it qualifies in (~~his or her~~) its own  
4 right for a new rate, shall be the highest rate class applicable at the  
5 time of the acquisition to any predecessor employer who is a party to  
6 the acquisition.

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

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

19 **SB 6480** - S AMD  
20 By Senators Vognild and Newhouse

21 ADOPTED 2/15/94

22 On page 1, line 1 of the title, after "compensation;" strike the  
23 remainder of the title and insert "amending RCW 50.16.094, 50.22.090,  
24 50.29.020, and 50.29.062; and adding a new section to chapter 50.20  
25 RCW."

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