

HOUSE BILL REPORT

SB 5546

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to unemployment compensation.

Brief Description: Regulating unemployment compensation.

Sponsors: Senators Prentice and Moore; by request of
Employment Security Department.

Brief History:

Reported by House Committee on:
Commerce & Labor, March 30, 1993, DP.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 9 members:
Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk,
Ranking Minority Member; Chandler, Assistant Ranking
Minority Member; Conway; Horn; King; Springer; and Veloria.

Staff: Chris Cordes (786-7117).

Background:

Unemployment insurance for corporate officers

Corporate officers are not covered for unemployment insurance unless the corporation elects to cover them. Corporate officers are defined as the president, one or more vice presidents, a secretary, and a treasurer. Under the Washington Business Corporation Act, corporate officers include those officers described in the corporation's bylaws or appointed by the board of directors under the bylaws.

Qualifications for alien claimants

Under Washington law, aliens are eligible for unemployment compensation benefits if the person has been lawfully admitted to the United States for permanent residence, was lawfully present for performing the services, or is otherwise residing in the United States under color of law. Federal law requires aliens to be lawfully admitted for permanent residence or otherwise residing under color of law at the time the services were performed.

Eligibility for federal-state extended unemployment benefits

The federal-state extended unemployment benefits program requires claimants to meet special eligibility criteria, including requirements for applying for and accepting suitable work, and for making work search efforts. These special criteria were suspended under federal law for weeks of unemployment beginning March 6, 1993, and ending before January 1, 1995.

Summary of Bill:

Unemployment insurance for corporate officers

The corporate officers who are exempt from unemployment insurance are changed from certain specifically named officers to the persons appointed as officers under the requirements of the Washington Business Corporation Act.

A technical correction is made to add language inadvertently deleted from the law in a 1991 amendment.

Qualifications for alien claimants

The alien residency requirements are amended to clarify that an alien may receive unemployment compensation benefits only if the alien was lawfully admitted for permanent residence or permanently residing in the United States under color of law, or lawfully present for performing services, at the time the services were performed.

Eligibility for federal-state extended unemployment benefits

The special eligibility requirements for the federal-state extended unemployment benefits do not apply to weeks of unemployment beginning March 6, 1993, and ending before January 1, 1995.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on March 6, 1993.

Testimony For: The bill addresses housekeeping issues. Two of the amendments are required to keep Washington law in conformity with federal law.

Testimony Against: None.

Witnesses: Graeme Sackrison, Employment Security Department.