

HOUSE BILL REPORT

SSB 6217

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to the joint task force on unemployment insurance.

Brief Description: Requiring the joint task force on unemployment insurance to study additional issues.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Newhouse, Vognild, Moore, Amondson, Prentice, Sutherland, Fraser, McAuliffe and Winsley).

Brief History:

Reported by House Committee on:
Commerce & Labor, February 23, 1994, DPA.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. 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: Jim Kelley (786-7166).

Background: In 1993 the Legislature established the Joint Task Force on Unemployment Insurance in order to undertake an in-depth review of Washington's unemployment insurance program. The task force is composed of four members of the House of Representatives, four members of the Senate, four representatives of labor and four representatives of business. The task force report to the Legislature included recommendations about the policies and the administration of unemployment insurance in Washington State.

The task force has requested that it be reauthorized through 1994 in order to: undertake a more in-depth review of targeted issues; work collaboratively with the Employment Security Department in implementation of task force recommendations; and assist the department in responding to federal initiatives and economic change.

Summary of Amended Bill: The Joint Task Force on Unemployment Insurance is reauthorized in order to: (1) undertake a more in-depth review of targeted issues

concerning unemployment insurance, including reviewing and making recommendations on whether employers who are exempt from the federal unemployment tax should be required to pay a share of the unemployment insurance administrative costs; (2) work collaboratively with the Employment Security Department in implementation of task force recommendations; and (3) assist the department in responding to federal initiatives and economic change, in particular the new claimant profile requirement which must be implemented by 1994.

When studying the issue of the payment of administrative costs by employers who are exempt from the federal unemployment tax, the task force includes one member representing those employers and one member representing their employees.

The task force is scheduled to report to the Legislature by January 15, 1995.

Amended Bill Compared to Substitute Bill: The amendment provides that the task force review and make recommendations on the issue of whether employers who are exempt from the federal unemployment tax should be required to pay a share of the unemployment insurance administrative costs. When studying that issue, the task force will include one representative of employers who are exempt from the federal unemployment tax and one representative of their employees.

Fiscal Note: Not requested.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: So far, the study has been very helpful to the department in identifying areas where improvement is needed. Extending the task force would allow a number of unemployment issues to be studied in more depth. The task force should study the issue of whether it would be appropriate to charge administrative costs to employers who are exempt from the federal unemployment tax.

Testimony Against: None.

Witnesses: (In favor) Graeme Sackrison, Employment Security Department. (In favor with amendment) Sharon Foster, YMCA's of Washington.