

SENATE BILL REPORT

SB 5462

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, MARCH 3, 1993

Brief Description: Affecting disqualification for unemployment insurance.

SPONSORS: Senators Vognild and Prentice

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5462 be substituted therefor, and the substitute bill do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Fraser, McAuliffe, Pelz, Sutherland, Vognild, and Wojahn.

Minority Report: Do not pass.

Signed by Senators Amondson, Barr, Cantu, Newhouse, and Prince.

Staff: Dave Cheal (786-7576)

Hearing Dates: February 17, 1993; March 3, 1993

BACKGROUND:

An employee may be disqualified for unemployment insurance benefits if the employee voluntarily and without good cause quits his or her job. The employee may requalify after obtaining work and earning wages equal to his or her weekly benefit amount in each of five calendar weeks. The commissioner is given some discretion in determining whether a worker left voluntarily and without good cause. Factors to be considered are listed in the statute.

SUMMARY:

An employee disqualified for benefits for having voluntarily and without good cause quit his or her job, may requalify for benefits after having obtained work and earned five times his or her suspended weekly benefit amount.

The definition of good cause for leaving work is amended to include "compelling personal reasons ... including but not limited to the claimant's marital status or domestic responsibilities." "Marital status" includes a pending marriage within a reasonable time after leaving work. Under current law, in determining whether a worker left work voluntarily without good cause, the commissioner must consider certain work-related factors. The factor of distance to work and transportation available is added. The current rule that certain work conditions including distance between residence and job site, which were known to the individual at the time

employment was accepted cannot establish good cause, is removed.

Good cause is established when an individual quits work because hours offered, pay, distance travelled to work, or any other significant factor is reduced by more than 10 percent, unless the reduction is agreed to in writing.

Good cause is also established when the employer or supervisor commits misconduct, such as failure to correct illegal working conditions after reasonable notice, and conduct that would disqualify an individual from unemployment benefits under current law.

Currently, the factors to be considered in determining whether or not an individual left employment for good cause do not apply to individuals whose marital status or domestic responsibilities cause them to leave their job. In that case, the employee can requalify only by obtaining work and earning at least the suspended weekly benefit amount in each of five calendar weeks, or comply with certain reporting requirements during ten different calendar weeks. These separate rules applied to workers who leave jobs due to marital status or domestic responsibilities are removed.

EFFECT OF PROPOSED SUBSTITUTE:

A technical change is made to clarify that if various factors deteriorate to the detriment of the worker, voluntarily leaving that job will not disqualify them for benefits.

Appropriation: none

Revenue: none

Fiscal Note: requested

TESTIMONY FOR:

There are many compelling reasons beyond the control of the worker that force people to quit a particular job. These events should not disqualify a person from receiving benefits.

The current requalification requirements are often difficult to meet, difficult to administer, and serve no useful policy purpose.

TESTIMONY AGAINST:

This is a large increase in the reasons for non-disqualifying voluntary quits. Some of them are subject to abuse. The cumulative impact of this bill and other unemployment bills being considered is significant, and needs to be evaluated as a whole.

TESTIFIED: Jeff Johnson (pro); Martha Lindley (pro); Jordy Andrew (pro); Robert Dilger (pro); Clif Finch (con); Norm Raffael (con); Gary Smith (con)

