

**FINAL BILL REPORT**

**ESB 5920**

**C 187 L 94**

**SYNOPSIS AS ENACTED**

**Brief Description:** Changing limits for unemployment compensation deductions.

**SPONSORS:** Senator Vognild

**SENATE COMMITTEE ON LABOR & COMMERCE**

**HOUSE COMMITTEE ON COMMERCE & LABOR**

**BACKGROUND:**

Currently, an individual is considered unemployed and eligible to receive unemployment insurance (UI) benefits if he or she has worked less than full time under some circumstances.

An individual receiving unemployment benefits is required to report any weekly wages to the Employment Security Department. The individual's weekly benefit amount is then adjusted by subtracting 75 percent of the earnings (above \$5) from the claimant's weekly benefits, e.g., \$200 in weekly UI benefits, \$105 weekly earnings results in an adjusted weekly benefit amount of \$125.

**SUMMARY:**

A pilot project to encourage individuals drawing unemployment insurance to seek reemployment is established within the Department of Employment Security. For the purposes of the pilot project, the following provisions apply:

1. The definition of "unemployed" is modified to include an individual that has worked less than full time or is paid less than one and one-half their weekly benefit amount plus \$15, e.g., \$200 weekly UI benefits, earnings less than \$300 plus \$15 individual is considered unemployed.
2. The method of adjusting a UI beneficiary's weekly benefits due to earned income is changed to weekly benefit amount minus 66 2/3 percent of weekly wages above \$15, e.g., \$200 weekly UI benefits, \$115 weekly earnings results in an adjusted weekly benefit amount of \$133.33.

**Appropriation:** \$400,000 from the unemployment insurance trust fund.

**VOTES ON FINAL PASSAGE:**

Senate	44	4	
House	95	0	(House amended)
Senate	33	9	(Senate concurred)

**EFFECTIVE:** June 9, 1994