

SENATE BILL REPORT

SJM 8015

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, FEBRUARY 26, 1993

Brief Description: Memorializing Congress for more money to fund employment security funds.

SPONSORS: Senators Prentice, Wojahn and Franklin; by request of Employment Security Department

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Moore, Chairman; Cantu, Fraser, McAuliffe, Newhouse, Prince, and Sutherland.

Staff: Patrick Woods (786-7430)

Hearing Dates: February 22, 1993; February 26, 1993

BACKGROUND:

Federal unemployment taxes (FUTA) are paid to the federal government by Washington State employers in an amount that fully funds the administration and support of employment security programs in this state. However, the federal government, due to accounting practices, is not passing back to the states the full amount paid by employers.

Currently, the federal government retains approximately \$1 billion of the funds that are remitted by states under the unemployment insurance program.

SUMMARY:

The Washington State Legislature requests that Congress release tax monies paid by Washington State employers to support the administration of employment security programs.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

The memorial will communicate to Congress the need to return unemployment insurance funds to the state to cover administrative costs.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Robert Dilger, Washington State Building Trades Council; Carolyn Logue, NFIB; George C. Kirkmire, Washington Contract Loggers Association; Clif Finch, AWB