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**SUBSTITUTE SENATE BILL 6420**

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**State of Washington**

**55th Legislature**

**1998 Regular Session**

**By** Senate Committee on Commerce & Labor (originally sponsored by Senators Schow, Heavey and Winsley; by request of Employment Security Department)

Read first time 02/04/98.

1 AN ACT Relating to application for initial determination for  
2 unemployment insurance benefits; amending RCW 50.20.140 and 50.24.014;  
3 adding a new section to chapter 50.20 RCW; and creating new sections.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 50.20.140 and 1951 c 215 s 4 are each amended to read  
6 as follows:

7 An application for initial determination, a claim for waiting  
8 period, or a claim for benefits shall be filed in accordance with such  
9 ((regulations)) rules as the commissioner may prescribe. An  
10 application for an initial determination may be made by any individual  
11 whether unemployed or not. Each employer shall post and maintain  
12 printed statements of such ((regulations)) rules in places readily  
13 accessible to individuals in his or her employment and shall make  
14 available to each such individual at the time he or she becomes  
15 unemployed, a printed statement of such ((regulations)) rules and such  
16 notices, instructions, and other material as the commissioner may by  
17 ((regulation)) rule prescribe. Such printed material shall be supplied  
18 by the commissioner to each employer without cost to ((him)) the  
19 employer.

1 The term "application for initial determination" shall mean a  
2 request in writing, or by other means as determined by the  
3 commissioner, for an initial determination. The term "claim for  
4 waiting period" shall mean a certification, after the close of a given  
5 week, that the requirements stated herein for eligibility for waiting  
6 period have been met. The term "claim for benefits" shall mean a  
7 certification, after the close of a given week, that the requirements  
8 stated herein for eligibility for receipt of benefits have been met.

9 A representative designated by the commissioner shall take the  
10 application for initial determination and for the claim for waiting  
11 period credits or for benefits. When an application for initial  
12 determination has been made, the employment security department shall  
13 promptly make an initial determination which shall be a statement of  
14 the applicant's base year wages, his or her weekly benefit amount, his  
15 or her maximum amount of benefits potentially payable, and his or her  
16 benefit year. Such determination shall fix the general conditions  
17 under which waiting period credit shall be granted and under which  
18 benefits shall be paid during any period of unemployment occurring  
19 within the benefit year fixed by such determination.

20 NEW SECTION. Sec. 2. A new section is added to chapter 50.20 RCW  
21 to read as follows:

22 The employment security department will ensure that within a  
23 reasonably short period of time after the initiation of benefits, all  
24 unemployment insurance claimants, except those with employer  
25 attachment, union referral, in commissioner approved training, or the  
26 subject of antiharassment orders, register for job search in an  
27 electronic labor exchange system that supports direct employer access  
28 for the purpose of selecting job applicants.

29 NEW SECTION. Sec. 3. (1) The joint legislative audit and review  
30 committee, in consultation with members of the senate and house of  
31 representatives commerce and labor committees and the unemployment  
32 insurance advisory committee, shall conduct an evaluation of the new  
33 call center approach to unemployment insurance. The evaluation shall  
34 review the performance of the call center system, including, but not  
35 limited to, the: (a) Promptness of payments; (b) number and types of  
36 errors; (c) amount and types of fraud; and (d) level of overpayments  
37 and underpayments, compared with the current system.

1 (2) The joint legislative audit and review committee is directed to  
2 contract with a private entity consistent with the provisions of  
3 chapter 39.29 RCW. The committee shall consult with the unemployment  
4 insurance advisory committee in the design of the request for proposals  
5 from potential contractors and shall use the advisory committee to  
6 evaluate the responses. The joint legislative audit and review  
7 committee shall provide a report on its findings and recommendations to  
8 the appropriate standing committee of the senate and house of  
9 representatives by September 1, 2001.

10 NEW SECTION. **Sec. 4.** The department of employment security is  
11 authorized to expend funds provided under RCW 50.24.014(1)(b) for the  
12 purposes of the evaluation provided for in section 3 of this act.

13 **Sec. 5.** RCW 50.24.014 and 1994 c 187 s 3 are each amended to read  
14 as follows:

15 (1)(a) A separate and identifiable account to provide for the  
16 financing of special programs to assist the unemployed is established  
17 in the administrative contingency fund. Contributions to this account  
18 shall accrue and become payable by each employer, except employers as  
19 described in RCW 50.44.010 and 50.44.030 who have properly elected to  
20 make payments in lieu of contributions, taxable local government  
21 employers as described in RCW 50.44.035, and those employers who are  
22 required to make payments in lieu of contributions, at a basic rate of  
23 two one-hundredths of one percent. The amount of wages subject to tax  
24 shall be determined under RCW 50.24.010.

25 (b) For the first calendar quarter of 1994 only, the basic two one-  
26 hundredths of one percent contribution payable under (a) of this  
27 subsection shall be increased by one-hundredth of one percent to a  
28 total rate of three one-hundredths of one percent. The proceeds of  
29 this incremental one-hundredth of one percent shall be used solely for  
30 the purposes described in section 22, chapter 483, Laws of 1993, and  
31 for the purposes ~~((described in RCW 50.40.060))~~ of conducting an  
32 evaluation of the call center approach to unemployment insurance under  
33 section 3 of this act. Any surplus from contributions payable under  
34 this subsection (b) will be deposited in the unemployment compensation  
35 trust fund.

36 (2)(a) Contributions under this section shall become due and be  
37 paid by each employer under rules as the commissioner may prescribe,

1 and shall not be deducted, in whole or in part, from the remuneration  
2 of individuals in the employ of the employer. Any deduction in  
3 violation of this section is unlawful.

4 (b) In the payment of any contributions under this section, a  
5 fractional part of a cent shall be disregarded unless it amounts to  
6 one-half cent or more, in which case it shall be increased to one cent.

7 (3) If the commissioner determines that federal funding has been  
8 increased to provide financing for the services specified in chapter  
9 50.62 RCW, the commissioner shall direct that collection of  
10 contributions under this section be terminated on the following January  
11 1st.

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