

SENATE BILL REPORT

SB 6235

As Reported By Senate Committee On:
Labor & Workforce Development, January 25, 2000

Title: An act relating to allowing an employer to request relief of benefit charges within thirty days of notice of the claim being filed.

Brief Description: Allowing an employer to request relief of benefit charges within thirty days of notice of the claim being filed.

Sponsors: Senator Fairley; by request of Employment Security Department.

Brief History:

Committee Activity: Labor & Workforce Development: 1/11/2000, 1/25/2000 [DP].

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Hochstatter, Kline, Oke and Wojahn.

Staff: Jill Reinmuth (786-7452)

Background: Under the state's unemployment compensation system, an employer's tax rate is determined, in part, by the employer's experience rating. Most benefits paid to an individual are charged to the experience rating account(s) of the individual's base year employer(s) in proportion to the wages paid by the employer(s). Some benefits, however, are not charged to a base year employer's experience rating account. The employer must request relief from these charges from the Employment Security Department in writing within 30 days of notice of the individual's initial application for benefits.

When an individual initially applies for benefits, the employer receives the notice and can request relief from benefit charges in a timely manner. When an individual requalifies for benefits, however, the employer may not receive the notice and therefore, cannot request relief from benefit charges in a timely manner.

Summary of Bill: An employer must request relief from benefit charges within 30 days of the date on which the first notice that benefits may be charged to the employer's experience rating account was mailed. If an employer does not request relief within 30 days of the first notice, but establishes good cause for not doing so, the Commissioner of the Employment Security Department may consider the employer's request.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2000.

Testimony For: This bill corrects an unintended consequence. It also helps decrease the Employment Security Department's appeal costs.

Testimony Against: None.

Testified: Dale Ziegler, Employment Security Department (pro).