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HOUSE BILL 1995

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State of Washington

56th Legislature

1999 Regular Session

By Representatives Miloscia, Dunn, Kessler, D. Sommers, Kenney, Conway, Rockefeller and D. Schmidt

Read first time 02/12/1999. Referred to Committee on Finance.

1 AN ACT Relating to the employment of persons with disabilities;  
2 adding a new section to chapter 82.04 RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that as a group,  
5 individuals with disabilities have the lowest employment rate in the  
6 nation. Only thirty-five percent of citizens with disabilities of  
7 working age are employed, but seventy-four percent report that they  
8 want to be employed.

9 There are approximately one hundred eighty thousand Washington  
10 residents who are disabled and of working age, but only sixty-three  
11 thousand are employed. Another seventy thousand would work if they  
12 could get jobs. These individuals have severe barriers to employment  
13 and require assistance simply to obtain access to employment. With the  
14 increase in the numbers of additional targeted groups, individuals with  
15 disabilities are experiencing increased competition for employment.

16 The intent of this act is to increase employment and self-  
17 sufficiency of individuals with disabilities by providing an incentive  
18 to employers to hire such individuals.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 82.04 RCW  
2 to read as follows:

3        (1) Employers in this state who are taxable under this chapter and  
4 employ, full or part-time, individuals with disabilities shall be  
5 allowed a credit against the tax due. The credit shall be based on  
6 amounts paid as wages and salaries for such individuals or amounts paid  
7 for contracts with community rehabilitation programs for goods or  
8 services produced by individuals with disabilities. The minimum  
9 eligible contract value shall be no less than six thousand dollars.  
10 The credit equals the competitive salaries or wages paid to one or more  
11 individuals with disabilities employed or the value of the wages paid  
12 to workers with disabilities working on the contract, multiplied by the  
13 following rates: (a) Ten percent of the first six thousand; and (b)  
14 twenty percent of the next six thousand. For contracts with community  
15 rehabilitation programs, only amounts accruing to individuals with  
16 disabilities shall be included in the determination of the credit.

17        (2) The wages or contract amounts paid to individuals with  
18 disabilities must be reasonable based on the type of work and ability  
19 of the individual.

20        (3) Application for tax credit under this chapter shall be made in  
21 the form and manner prescribed by the department. Furthermore, in  
22 order to receive the credit, the employer must notify the department  
23 within a time specified by the department of the employment of an  
24 individual who may qualify the employer for the credit. In a manner  
25 and form prescribed by the department, the department of social and  
26 health services shall certify to the department that the individual  
27 possesses an existing disability that has prevented or limited the  
28 individual's ability to work.

29        (4) If an employer owes no tax there shall be no carryforward  
30 allowed for this credit.

31        (5) Disability under this section means an individual who has a  
32 permanent or temporary physical, mental, or sensory disability which  
33 has made it significantly difficult to engage in and retain gainful  
34 employment consistent with his or her capacities and abilities and is  
35 deemed to have such a disability by the department of social and health  
36 services.

37        (6) An employer may appeal a decision by the department of social  
38 and health services or the department of revenue to the superior court

1 of the county in which the employer's principal place of business is  
2 located.

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