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HOUSE BILL 2413

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State of Washington

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2000 Regular Session

By Representatives Conway, Reardon, Stensen, Campbell, Linville, Sullivan, Cooper, Hurst, Kenney, Haigh, Santos, Dickerson, Tokuda, Cody, Romero, Poulsen, Hatfield, Scott, Keiser, Lovick, Murray, Edwards, Morris, Lantz, Wood, Regala, Edmonds, Wolfe, Ogden, Ruderman and McIntire

Read first time 01/12/2000. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to unemployment insurance; amending RCW 50.04.355,  
2 50.24.010, 50.29.020, 50.29.025, and 50.29.026; adding new sections to  
3 chapter 50.22 RCW; creating new sections; and declaring an emergency.

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

5 **Sec. 1.** RCW 50.04.355 and 1977 ex.s. c 33 s 2 are each amended to  
6 read as follows:

7 On or before the fifteenth day of June of each year, an "average  
8 annual wage", an "average weekly wage", and an "average annual wage for  
9 contributions purposes" shall be computed from information for the  
10 specified preceding calendar years including corrections thereof  
11 reported within three months after the close of ~~((that))~~ the final year  
12 of the specified years by all employers as defined in RCW 50.04.080.

13 (1) The "average annual wage" is the quotient derived by dividing  
14 the total remuneration reported by all employers for the preceding  
15 calendar year and dividing this amount by the average number of workers  
16 reported for all months of the preceding calendar year and if the  
17 result is not a multiple of one dollar, rounding the result to the next  
18 lower multiple of one dollar.

1       (2) The "average weekly wage" is the quotient derived by dividing  
2 the "average annual wage" ((thus)) obtained ((shall be divided)) under  
3 (1) of this subsection by fifty-two and if the result is not a multiple  
4 of one dollar, rounding the result to the next lower multiple of one  
5 dollar ((to determine the "average weekly wage"))).

6       (3) The "average annual wage((")) for contribution purposes" is the  
7 quotient derived by dividing by three the total remuneration reported  
8 by all employers subject to contributions for the preceding three  
9 consecutive calendar years and dividing this amount by the average  
10 number of workers reported for all months of these three years by these  
11 same employers and if the result is not a multiple of one dollar,  
12 rounding the result to the next lower multiple of one dollar.

13       **Sec. 2.** RCW 50.24.010 and 1984 c 205 s 2 are each amended to read  
14 as follows:

15       Contributions shall accrue and become payable by each employer  
16 (except employers as described in RCW 50.44.010 who have properly  
17 elected to make payments in lieu of contributions and those employers  
18 who are required to make payments in lieu of contributions) for each  
19 calendar year in which the employer is subject to this title at the  
20 rate established pursuant to chapter 50.29 RCW.

21       In each rate year, the amount of wages subject to tax for each  
22 individual shall be one hundred fifteen percent of the amount of wages  
23 subject to tax for the previous year rounded to the next lower one  
24 hundred dollars(~~(÷ PROVIDED)~~), except that the amount of wages subject  
25 to tax in any rate year shall not exceed eighty percent of the "average  
26 annual wage for contributions purposes" for the second preceding  
27 calendar year rounded to the next lower one hundred dollars((÷  
28 PROVIDED FURTHER, That)). However, the amount subject to tax shall be  
29 ((twelve)) twenty-four thousand three hundred dollars for rate year  
30 ((1984 and ten thousand dollars for rate year 1985)) 2000.

31       In making computations under this section and RCW 50.29.010, wages  
32 paid based on services for employers making payments in lieu of  
33 contributions shall not be considered remuneration. Moneys paid from  
34 the fund, based on services performed for employers who make payments  
35 in lieu of contributions, which have not been reimbursed to the fund as  
36 of any June 30 shall be deemed an asset of the unemployment  
37 compensation fund, to the extent that such moneys exceed the amount of  
38 payments in lieu of contributions which the commissioner has previously

1 determined to be uncollectible: PROVIDED, FURTHER, That the amount  
2 attributable to employment with the state shall also include interest  
3 as provided for in RCW 50.44.020.

4 Contributions shall become due and be paid by each employer to the  
5 treasurer for the unemployment compensation fund in accordance with  
6 such regulations as the commissioner may prescribe, and shall not be  
7 deducted, in whole or in part, from the remuneration of individuals in  
8 employment of the employer. Any deduction in violation of the  
9 provisions of this section shall be unlawful.

10 In the payment of any contributions, a fractional part of a cent  
11 shall be disregarded unless it amounts to one-half cent or more, in  
12 which case it shall be increased to one cent.

13 **Sec. 3.** RCW 50.29.020 and 1995 c 57 s 3 are each amended to read  
14 as follows:

15 (1) An experience rating account shall be established and  
16 maintained for each employer, except employers as described in RCW  
17 50.44.010 and 50.44.030 who have properly elected to make payments in  
18 lieu of contributions, taxable local government employers as described  
19 in RCW 50.44.035, and those employers who are required to make payments  
20 in lieu of contributions, based on existing records of the employment  
21 security department. Benefits paid to any eligible individuals shall  
22 be charged to the experience rating accounts of each of such  
23 individual's employers during the individual's base year in the same  
24 ratio that the wages paid by each employer to the individual during the  
25 base year bear to the wages paid by all employers to that individual  
26 during that base year, except as otherwise provided in this section.

27 (2) The legislature finds that certain benefit payments, in whole  
28 or in part, should not be charged to the experience rating accounts of  
29 employers except those employers described in RCW 50.44.010 and  
30 50.44.030 who have properly elected to make payments in lieu of  
31 contributions, taxable local government employers described in RCW  
32 50.44.035, and those employers who are required to make payments in  
33 lieu of contributions, as follows:

34 (a) Benefits paid to any individuals later determined to be  
35 ineligible shall not be charged to the experience rating account of any  
36 contribution paying employer.

1 (b) Benefits paid to an individual filing under the provisions of  
2 chapter 50.06 RCW shall not be charged to the experience rating account  
3 of any contribution paying employer only if:

4 (i) The individual files under RCW 50.06.020(1) after receiving  
5 crime victims' compensation for a disability resulting from a nonwork-  
6 related occurrence; or

7 (ii) The individual files under RCW 50.06.020(2).

8 (c) Benefits paid which represent the state's share of benefits  
9 payable as extended benefits defined under (~~chapter 50.22~~) RCW  
10 50.22.010(6) shall not be charged to the experience rating account of  
11 any contribution paying employer.

12 (d) In the case of individuals who requalify for benefits under RCW  
13 50.20.050 or 50.20.060, benefits based on wage credits earned prior to  
14 the disqualifying separation shall not be charged to the experience  
15 rating account of the contribution paying employer from whom that  
16 separation took place.

17 (e) In the case of individuals identified under RCW 50.20.015,  
18 benefits paid with respect to a calendar quarter, which exceed the  
19 total amount of wages earned in the state of Washington in the higher  
20 of two corresponding calendar quarters included within the individual's  
21 determination period, as defined in RCW 50.20.015, shall not be charged  
22 to the experience rating account of any contribution paying employer.

23 (f) Benefits paid under section 8 of this act shall not be charged  
24 to the experience rating account of any contribution paying employer.

25 (3)(a) (~~Beginning July 1, 1985,~~) A contribution-paying base year  
26 employer, not otherwise eligible for relief of charges for benefits  
27 under this section, may receive such relief if the benefit charges  
28 result from payment to an individual who:

29 (i) Last left the employ of such employer voluntarily for reasons  
30 not attributable to the employer;

31 (ii) Was discharged for misconduct connected with his or her work  
32 not a result of inability to meet the minimum job requirements;

33 (iii) Is unemployed as a result of closure or severe curtailment of  
34 operation at the employer's plant, building, work site, or other  
35 facility. This closure must be for reasons directly attributable to a  
36 catastrophic occurrence such as fire, flood, or other natural disaster;  
37 or

38 (iv) Continues to be employed on a regularly scheduled permanent  
39 part-time basis by a base year employer and who at some time during the

1 base year was concurrently employed and subsequently separated from at  
2 least one other base year employer. Benefit charge relief ceases when  
3 the employment relationship between the employer requesting relief and  
4 the claimant is terminated. This subsection does not apply to shared  
5 work employers under chapter 50.60 RCW.

6 (b) The employer requesting relief of charges under this subsection  
7 must request relief in writing within thirty days following mailing to  
8 the last known address of the notification of the valid initial  
9 determination of such claim, stating the date and reason for the  
10 separation or the circumstances of continued employment. The  
11 commissioner, upon investigation of the request, shall determine  
12 whether relief should be granted.

13 **Sec. 4.** RCW 50.29.025 and 1995 c 4 s 2 are each amended to read as  
14 follows:

15 The contribution rate for each employer subject to contributions  
16 under RCW 50.24.010 shall be determined under this section.

17 (1) A fund balance ratio shall be determined by dividing the  
18 balance in the unemployment compensation fund as of the ((June))  
19 September 30th immediately preceding the rate year by the total  
20 remuneration paid by all employers subject to contributions during the  
21 second calendar year preceding the rate year and reported to the  
22 department by the following March 31st. The division shall be carried  
23 to the fourth decimal place with the remaining fraction, if any,  
24 disregarded. The fund balance ratio shall be expressed as a  
25 percentage.

26 (2) The interval of the fund balance ratio, expressed as a  
27 percentage, shall determine which tax schedule in subsection (5) of  
28 this section shall be in effect for assigning tax rates for the rate  
29 year. The intervals for determining the effective tax schedule shall  
30 be:

31	Interval of the	
32	Fund Balance Ratio	Effective
33	Expressed as a Percentage	Tax Schedule
34	2.90 and above	AA
35	((2.50)) <u>2.10</u> to 2.89	A
36	((2.10 to 2.49)) <u>1.70</u> to 2.09	B
37	((1.70 to 2.09)) <u>1.40</u> to 1.69	C

1	<del>((1.30 to 1.69))</del> <u>1.00 to 1.39</u>	D
2	<del>((1.00 to 1.29))</del> <u>0.70 to 0.99</u>	E
3	Less than <del>((1.00))</del> <u>0.70</u>	F

4 (3) An array shall be prepared, listing all qualified employers in  
5 ascending order of their benefit ratios. The array shall show for each  
6 qualified employer: (a) Identification number; (b) benefit ratio; (c)  
7 taxable payrolls for the four calendar quarters immediately preceding  
8 the computation date and reported to the department by the cut-off  
9 date; (d) a cumulative total of taxable payrolls consisting of the  
10 employer's taxable payroll plus the taxable payrolls of all other  
11 employers preceding him or her in the array; and (e) the percentage  
12 equivalent of the cumulative total of taxable payrolls.

13 (4) Each employer in the array shall be assigned to one of twenty  
14 rate classes according to the percentage intervals of cumulative  
15 taxable payrolls set forth in subsection (5) of this section:  
16 PROVIDED, That if an employer's taxable payroll falls within two or  
17 more rate classes, the employer and any other employer with the same  
18 benefit ratio shall be assigned to the lowest rate class which includes  
19 any portion of the employer's taxable payroll.

20 (5) Except as provided in RCW 50.29.026, the contribution rate for  
21 each employer in the array shall be the rate specified in the following  
22 tables for the rate class to which he or she has been assigned, as  
23 determined under subsection (4) of this section, within the tax  
24 schedule which is to be in effect during the rate year:

25	Percent of										
26	Cumulative			Schedules of Contributions Rates							
27	Taxable Payrolls			for Effective Tax Schedule							
28	((Rate										
29	From	To	Class	AA	A	B	C	D	E	F	
30	0.00	5.00	1	0.48	0.48	0.58	0.98	1.48	1.88	2.48	
31	5.01	10.00	2	0.48	0.48	0.78	1.18	1.68	2.08	2.68	
32	10.01	15.00	3	0.58	0.58	0.98	1.38	1.78	2.28	2.88	
33	15.01	20.00	4	0.58	0.78	1.18	1.58	1.98	2.48	3.08	
34	20.01	25.00	5	0.78	0.98	1.38	1.78	2.18	2.68	3.18	
35	25.01	30.00	6	0.98	1.18	1.58	1.98	2.38	2.78	3.28	
36	30.01	35.00	7	1.08	1.38	1.78	2.18	2.58	2.98	3.38	
37	35.01	40.00	8	1.28	1.58	1.98	2.38	2.78	3.18	3.58	
38	40.01	45.00	9	1.48	1.78	2.18	2.58	2.98	3.38	3.78	
39	45.01	50.00	10	1.68	1.98	2.38	2.78	3.18	3.58	3.98	

1	50.01	55.00	11	1.98	2.28	2.58	2.98	3.38	3.78	4.08
2	55.01	60.00	12	2.18	2.48	2.78	3.18	3.58	3.98	4.28
3	60.01	65.00	13	2.38	2.68	2.98	3.38	3.78	4.18	4.48
4	65.01	70.00	14	2.58	2.88	3.18	3.58	3.98	4.38	4.68
5	70.01	75.00	15	2.88	3.08	3.38	3.78	4.18	4.58	4.78
6	75.01	80.00	16	3.08	3.28	3.58	3.98	4.38	4.68	4.88
7	80.01	85.00	17	3.28	3.48	3.78	4.18	4.58	4.88	4.98
8	85.01	90.00	18	3.68	3.88	4.18	4.58	4.88	4.98	5.18
9	90.01	95.00	19	4.08	4.28	4.58	4.98	5.08	5.18	5.38
10	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40	5.40))

	Rate									
	From	To	Class	AA	A	B	C	D	E	F
13	0.00	5.00	1	0.40	0.40	0.50	0.90	1.40	1.80	2.40
14	5.01	10.00	2	0.40	0.40	0.70	1.10	1.60	2.00	2.60
15	10.01	15.00	3	0.50	0.50	0.90	1.30	1.70	2.20	2.80
16	15.01	20.00	4	0.50	0.70	1.10	1.50	1.90	2.40	3.00
17	20.01	25.00	5	0.70	0.90	1.30	1.70	2.10	2.60	3.10
18	25.01	30.00	6	0.90	1.10	1.50	1.90	2.30	2.70	3.20
19	30.01	35.00	7	1.00	1.30	1.70	2.10	2.50	2.90	3.30
20	35.01	40.00	8	1.20	1.50	1.90	2.30	2.70	3.10	3.50
21	40.01	45.00	9	1.40	1.70	2.10	2.50	2.90	3.30	3.70
22	45.01	50.00	10	1.60	1.90	2.30	2.70	3.10	3.50	3.90
23	50.01	55.00	11	1.90	2.20	2.50	2.90	3.30	3.70	4.00
24	55.01	60.00	12	2.10	2.40	2.70	3.10	3.50	3.90	4.20
25	60.01	65.00	13	2.30	2.60	2.90	3.30	3.70	4.10	4.40
26	65.01	70.00	14	2.50	2.80	3.10	3.50	3.90	4.30	4.60
27	70.01	75.00	15	2.80	3.00	3.30	3.70	4.10	4.50	4.70
28	75.01	80.00	16	3.00	3.20	3.50	3.90	4.30	4.60	4.80
29	80.01	85.00	17	3.20	3.40	3.70	4.10	4.50	4.80	4.91
30	85.01	90.00	18	3.60	3.80	4.10	4.50	4.80	4.90	5.10
31	90.01	95.00	19	4.08	4.28	4.58	4.98	5.08	5.18	5.38
32	95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40	5.40

33 (6) The contribution rate for each employer not qualified to be in  
34 the array shall be as follows:

35 (a) Employers who do not meet the definition of "qualified  
36 employer" by reason of failure to pay contributions when due shall be  
37 assigned ((the)) a contribution rate ((of five and six-tenths percent))  
38 two-tenths higher than that in rate class 20 for the applicable rate  
39 year, except employers who have an approved agency-deferred payment  
40 contract by September 30 of the previous rate year. If any employer  
41 with an approved agency-deferred payment contract fails to make any one  
42 of the succeeding deferred payments or fails to submit any succeeding  
43 tax report and payment in a timely manner, the employer's tax rate

1 shall immediately revert to (~~five and six-tenths percent for the~~  
2 ~~current~~) a contribution rate two-tenths higher than that in rate class  
3 20 for the applicable rate year; and

4 (b) (~~The contribution rate for employers exempt as of December 31,~~  
5 ~~1989, who are newly covered under the section 78, chapter 380, Laws of~~  
6 ~~1989 amendment to RCW 50.04.150 and not yet qualified to be in the~~  
7 ~~array shall be 2.5 percent for employers whose standard industrial code~~  
8 ~~is "013", "016", "017", "018", "019", "021", or "081"; and~~

9 (c)) For all other employers not qualified to be in the array, the  
10 contribution rate shall be a rate equal to the average industry rate as  
11 determined by the commissioner; however, the rate may not be less than  
12 one percent. Assignment of employers by the commissioner to industrial  
13 classification, for purposes of this (~~subsection~~) section, shall be  
14 in accordance with established classification practices found in the  
15 "Standard Industrial Classification Manual" issued by the federal  
16 office of management and budget to the third digit provided in the  
17 standard industrial classification code, or in the North American  
18 industrial classification system code.

19 **Sec. 5.** RCW 50.29.026 and 1995 c 322 s 1 are each amended to read  
20 as follows:

21 (1) Beginning with contributions assessed for rate year 1996, a  
22 qualified employer's contribution rate determined under RCW 50.29.025  
23 may be modified as follows:

24 (a) Subject to the limitations of this subsection, an employer may  
25 make a voluntary contribution of an amount equal to part or all of the  
26 benefits charged to the employer's account during the two years most  
27 recently ended on June 30th that were used for the purpose of computing  
28 the employer's contribution rate. On receiving timely payment of a  
29 voluntary contribution, plus a surcharge of ten percent of the amount  
30 of the voluntary contribution, the commissioner shall cancel the  
31 benefits equal to the amount of the voluntary contribution, excluding  
32 the surcharge, and compute a new benefit ratio for the employer. The  
33 employer shall then be assigned the contribution rate applicable to the  
34 rate class within which the recomputed benefit ratio is included. The  
35 minimum amount of a voluntary contribution, excluding the surcharge,  
36 must be an amount that will result in a recomputed benefit ratio that  
37 is in a rate class at least two rate classes lower than the rate class  
38 that included the employer's original benefit ratio.



1 (b) Payment of a voluntary contribution is considered timely if  
2 received by the department during the period beginning on the date of  
3 mailing to the employer the notice of contribution rate required under  
4 this title for the rate year for which the employer is seeking a  
5 modification of his or her contribution rate and ending on February  
6 15th of that rate year or, for voluntary contributions for rate year  
7 2000, ending on March 31, 2000.

8 (c) A benefit ratio may not be recomputed nor a contribution rate  
9 be reduced under this section as a result of a voluntary contribution  
10 received after the payment period prescribed in (b) of this subsection.

11 (2) This section does not apply to any employer who has not had an  
12 increase of at least six rate classes from the previous tax rate year.

13 NEW SECTION. **Sec. 6.** A new section is added to chapter 50.22 RCW  
14 to read as follows:

15 It is the intent of the legislature that a training benefits  
16 program be established to provide unemployment insurance benefits to  
17 unemployed individuals who participate in training programs necessary  
18 for their reemployment.

19 The legislature further intends that this program serve the  
20 following goals:

21 (1) Retraining should be available for those unemployed individuals  
22 whose skills are no longer in demand;

23 (2) To be eligible for retraining, an individual must have a long-  
24 term attachment to the labor force;

25 (3) Training must enhance the individual's marketable skills and  
26 earning power; and

27 (4) Retraining must be targeted to those industries or skills that  
28 are in high demand within the labor market.

29 Individuals unemployed as a result of structural changes in the  
30 economy and technological advances rendering their skills obsolete must  
31 receive the highest priority for participation in this program. It is  
32 the further intent of the legislature that individuals for whom  
33 suitable employment is available are not eligible for additional  
34 benefits while participating in training.

35 The legislature further intends that funding for this program be  
36 limited by a specified maximum amount each fiscal year.

1        NEW SECTION.    **Sec. 7.**    A new section is added to chapter 50.22 RCW  
2 to read as follows:

3        The employment security department is authorized to pay training  
4 benefits under section 8 of this act, but may not obligate expenditures  
5 beyond the limits specified in this section or as otherwise set by the  
6 legislature.    Beginning with expenditures for the fiscal year ending  
7 June 30, 2000, and including expenditures for the fiscal biennium  
8 ending June 30, 2002, the commissioner may not obligate more than sixty  
9 million dollars for training benefits.    Any funds not obligated in one  
10 fiscal year may be carried forward to the next fiscal year.    For each  
11 fiscal year beginning after June 30, 2002, the commissioner may not  
12 obligate more than twenty million dollars annually in addition to any  
13 funds carried over from previous fiscal years.

14        NEW SECTION.    **Sec. 8.**    A new section is added to chapter 50.22 RCW  
15 to read as follows:

16        (1) Subject to availability of funds, training benefits are  
17 available for an individual who is eligible for or has exhausted  
18 entitlement to unemployment compensation benefits and who:

19        (a) Is a dislocated worker as defined in RCW 50.04.075;

20        (b) Except as provided under subsection (2) of this section, has  
21 demonstrated, through a work history, sufficient tenure in an  
22 occupation or in work with a particular skill set.    This screening will  
23 take place during the assessment process;

24        (c) Is, after assessment of demand for the individual's occupation  
25 or skills in the individual's labor market, determined to need job-  
26 related training to find suitable employment in his or her labor  
27 market;

28        (d) Develops an individual training program that is submitted to  
29 the commissioner for approval within sixty days after the individual is  
30 notified by the employment security department of the requirements of  
31 this section;

32        (e) Enters the approved training program by ninety days after the  
33 date of the notification, unless the employment security department  
34 determines that the training is not available during the ninety-day  
35 period, in which case the individual enters training as soon as it is  
36 available; and

37        (f) Is enrolled in training approved under this section on a full-  
38 time basis as determined by the educational institution, and is making

1 satisfactory progress in the training as certified by the educational  
2 institution.

3 (2) Until June 30, 2002, the following individuals who meet the  
4 requirements of subsection (1) of this section may, without regard to  
5 the tenure requirements under subsection (1)(b) of this section,  
6 receive training benefits as provided in this section:

7 (a) An exhaustee who has base year employment in the aerospace  
8 industry assigned the standard industrial classification code "372" or  
9 the North American industrial classification system code "336411";

10 (b) An exhaustee who has base year employment in the forest  
11 products industry, determined by the department, but including the  
12 industries assigned the major group standard industrial classification  
13 codes "24" and "26" or any equivalent codes in the North American  
14 industrial classification system code, and the industries involved in  
15 the harvesting and management of logs, transportation of logs and wood  
16 products, processing of wood products, and the manufacturing and  
17 distribution of wood processing and logging equipment; or

18 (c) An exhaustee who has base year employment in the fishing  
19 industry assigned the standard industrial classification code "0912" or  
20 any equivalent codes in the North American industrial classification  
21 system code.

22 (3) The definitions in this subsection apply throughout this  
23 section unless the context clearly requires otherwise.

24 (a) "Educational institution" means an institution of higher  
25 education as defined in RCW 28B.10.016 or an educational institution as  
26 defined in RCW 28C.04.410, including equivalent educational  
27 institutions in other states.

28 (b) "Sufficient tenure" means earning a plurality of wages in a  
29 particular occupation or using a particular skill set during the base  
30 year and at least two of the four twelve-month periods immediately  
31 preceding the base year.

32 (c) "Training benefits" means additional benefits paid under this  
33 section.

34 (d) "Training program" means:

35 (i) An education program determined to be necessary as a  
36 prerequisite to vocational training after counseling at the educational  
37 institution in which the individual enrolls under his or her approved  
38 training program; or

39 (ii) A vocational training program at an educational institution:

1 (A) That is targeted to training for a high demand occupation;  
2 (B) That is likely to enhance the individual's marketable skills  
3 and earning power; and

4 (C) That meets the criteria for performance developed by the work  
5 force training and education coordinating board for the purpose of  
6 determining those training programs eligible for funding under Title I  
7 of P.L. 105-220.

8 "Training program" does not include any course of education  
9 primarily intended to meet the requirements of a baccalaureate or  
10 higher degree, unless the training meets specific requirements for  
11 certification, licensing, or for specific skills necessary for the  
12 occupation.

13 (4) Benefits shall be paid as follows:

14 (a)(i) For exhaustees who are eligible under subsection (1) of this  
15 section, the total training benefit amount shall be fifty-two times the  
16 individual's weekly benefit amount, reduced by the total amount of  
17 regular benefits and extended benefits paid, or deemed paid, with  
18 respect to the benefit year; or

19 (ii) For exhaustees who are eligible under subsection (2) of this  
20 section, the total training benefit amount shall be seventy-four times  
21 the individual's weekly benefit amount, reduced by the total amount of  
22 regular benefits and extended benefits paid, or deemed paid, with  
23 respect to the benefit year. Beginning with new claims filed after  
24 June 30, 2002, for exhaustees eligible under subsection (2) of this  
25 section, the total training benefit amount shall be fifty-two times the  
26 individual's weekly benefit amount, reduced by the total amount of  
27 regular benefits and extended benefits paid, or deemed paid, with  
28 respect to the benefit year.

29 (b) The weekly benefit amount shall be the same as the regular  
30 weekly amount payable during the applicable benefit year and shall be  
31 paid under the same terms and conditions as regular benefits. The  
32 training benefits shall be paid before any extended benefits but not  
33 before any similar federally funded program.

34 (c) Training benefits are not payable for weeks more than two years  
35 beyond the end of the benefit year of the regular claim.

36 (5) The requirement under RCW 50.22.010(10) relating to exhausting  
37 regular benefits does not apply to an individual otherwise eligible for  
38 training benefits under this section when the individual's benefit year  
39 ends before his or her training benefits are exhausted and the

1 individual is eligible for a new benefit year. These individuals will  
2 have the option of remaining on the original claim or filing a new  
3 claim.

4 (6) Individuals who receive training benefits under this section or  
5 under any previous additional benefits program for training are not  
6 eligible for training benefits under this section for five years from  
7 the last receipt of training benefits under this section or under any  
8 previous additional benefits program for training.

9 (7) All base year employers are interested parties to the approval  
10 of training and the granting of training benefits.

11 (8) The commissioner shall adopt rules as necessary to implement  
12 this section.

13 NEW SECTION. **Sec. 9.** The work force training and education  
14 coordinating board, with the cooperation and assistance of the state  
15 board for community and technical colleges and the employment security  
16 department, shall review the participation in the training benefits  
17 program under section 8 of this act and report to the appropriate  
18 committees of the legislature by December 1, 2002, on the following:

19 (1) A demographic analysis of participants in the training benefits  
20 program under this section including the number of claimants per  
21 standard industrial classification code and the geographic  
22 representation of participants;

23 (2) The duration of training benefits claimed per claimant;

24 (3) An analysis of the training provided to participants including  
25 the occupational category supported by the training, those participants  
26 who complete training in relationship to those that do not, and the  
27 reasons for noncompletion of approved training programs;

28 (4) The employment and wage history of participants, including the  
29 pretraining and posttraining wage and whether those participating in  
30 training return to their previous employer after training terminates;  
31 and

32 (5) The impact of training benefits paid from the unemployment  
33 compensation fund on employers' unemployment insurance contributions.  
34 The review shall include the impact by rate class, industry and  
35 business size, and overall impact.

1        NEW SECTION.    **Sec. 10.**    (1) Sections 1, 2, 4, and 5 of this act  
2 apply to rate years beginning on or after January 1, 2000.

3        (2)(a) Except as provided under (b) of this subsection (2), section  
4 8 of this act applies beginning with weeks of unemployment that begin  
5 on or after the Sunday following the day on which the governor signs  
6 chapter . . . , Laws of 2000 (this act).

7        (b) For individuals eligible under section 8(2)(a) of this act who  
8 are enrolled in a national reserve grant on the effective date of this  
9 act, section 8 of this act applies beginning with weeks of unemployment  
10 that begin after the termination of their needs-related payments under  
11 a national reserve grant.

12        NEW SECTION.    **Sec. 11.**    If any part of this act is found to be in  
13 conflict with federal requirements that are a prescribed condition to  
14 the allocation of federal funds to the state or the eligibility of  
15 employers in this state for federal unemployment tax credits, the  
16 conflicting part of this act is inoperative solely to the extent of the  
17 conflict, and the finding or determination does not affect the  
18 operation of the remainder of this act. Rules adopted under this act  
19 must meet federal requirements that are a necessary condition to the  
20 receipt of federal funds by the state or the granting of federal  
21 unemployment tax credits to employers in this state.

22        NEW SECTION.    **Sec. 12.**    If any provision of this act or its  
23 application to any person or circumstance is held invalid, the  
24 remainder of the act or the application of the provision to other  
25 persons or circumstances is not affected.

26        NEW SECTION.    **Sec. 13.**    This act is necessary for the immediate  
27 preservation of the public peace, health, or safety, or support of the  
28 state government and its existing public institutions, and takes effect  
29 immediately.

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