CERTIFICATION OF ENROLLMENT

HOUSE BILL 2303

57th Legislature 2002 Regular Session

Passed by the House January 28, 2002 Yeas 96 Nays 0 Speaker of the House of Representatives	I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify the the attached is HOUSE BILL 2303 apassed by the House of Representative and the Senate on the dates hereon setforth.				
Passed by the Senate March 2, 2002 Yeas 42 Nays 0	Chief Clerk				
President of the Senate Approved	FILED				

HOUSE BILL 2303

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature 2002 Regular Session

By Representatives Conway, Wood and Kenney; by request of Employment Security Department

Read first time 01/14/2002. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to correcting rate class 16 in schedule B by
- 2 amending RCW 50.29.025 and making no other changes; and amending RCW
- 3 50.29.025.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 50.29.025 and 2000 c 2 s 4 are each amended to read as 6 follows:
- 7 The contribution rate for each employer subject to contributions 8 under RCW 50.24.010 shall be determined under this section.
- 9 (1) A fund balance ratio shall be determined by dividing the
- 10 balance in the unemployment compensation fund as of the September 30th
- 11 immediately preceding the rate year by the total remuneration paid by
- 12 all employers subject to contributions during the second calendar year
- 13 preceding the rate year and reported to the department by the following
- 14 March 31st. The division shall be carried to the fourth decimal place
- 15 with the remaining fraction, if any, disregarded. The fund balance
- 16 ratio shall be expressed as a percentage.
- 17 (2) The interval of the fund balance ratio, expressed as a
- 18 percentage, shall determine which tax schedule in subsection (5) of
- 19 this section shall be in effect for assigning tax rates for the rate

p. 1 HB 2303.PL

1 year. The intervals for determining the effective tax schedule shall 2 be:

3	Interval of the	
4	Fund Balance Ratio	Effective
5	Expressed as a Percentage	Tax Schedule
6	2.90 and above	AA
7	2.10 to 2.89	A
8	1.70 to 2.09	В
9	1.40 to 1.69	С
10	1.00 to 1.39	D
11	0.70 to 0.99	E
12	Less than 0.70	F

- (3) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (a) Identification number; (b) benefit ratio; (c) taxable payrolls for the four calendar quarters immediately preceding the computation date and reported to the department by the cut-off date; (d) a cumulative total of taxable payrolls consisting of the employer's taxable payroll plus the taxable payrolls of all other employers preceding him or her in the array; and (e) the percentage equivalent of the cumulative total of taxable payrolls.
- (4) Each employer in the array shall be assigned to one of twenty rate classes according to the percentage intervals of cumulative taxable payrolls set forth in subsection (5) of this section: PROVIDED, That if an employer's taxable payroll falls within two or more rate classes, the employer and any other employer with the same benefit ratio shall be assigned to the lowest rate class which includes any portion of the employer's taxable payroll.
- (5) Except as provided in RCW 50.29.026, the contribution rate for each employer in the array shall be the rate specified in the following tables for the rate class to which he or she has been assigned, as determined under subsection (4) of this section, within the tax schedule which is to be in effect during the rate year:

13

1415

16

17 18

19

2021

Cumulative			Schedules of Contributions Rates						
	Taxable Payrolls			for Effective Tax Schedule					
		Rate							
From	То	Class	AA	A	В	C	D	E	F
0.00	5.00	1	0.47	0.47	0.57	0.97	1.47	1.87	2.47
5.01	10.00	2	0.47	0.47	0.77	1.17	1.67	2.07	2.67
10.01	15.00	3	0.57	0.57	0.97	1.37	1.77	2.27	2.87
15.01	20.00	4	0.57	0.73	1.11	1.51	1.90	2.40	2.98
20.01	25.00	5	0.72	0.92	1.30	1.70	2.09	2.59	3.08
25.01	30.00	6	0.91	1.11	1.49	1.89	2.29	2.69	3.18
30.01	35.00	7	1.00	1.29	1.69	2.08	2.48	2.88	3.27
35.01	40.00	8	1.19	1.48	1.88	2.27	2.67	3.07	3.47
40.01	45.00	9	1.37	1.67	2.07	2.47	2.87	3.27	3.66
45.01	50.00	10	1.56	1.86	2.26	2.66	3.06	3.46	3.86
50.01	55.00	11	1.84	2.14	2.45	2.85	3.25	3.66	3.95
55.01	60.00	12	2.03	2.33	2.64	3.04	3.44	3.85	4.15
60.01	65.00	13	2.22	2.52	2.83	3.23	3.64	4.04	4.34
65.01	70.00	14	2.40	2.71	3.02	3.43	3.83	4.24	4.54
70.01	75.00	15	2.68	2.90	3.21	3.62	4.02	4.43	4.63
75.01	80.00	16	2.87	3.09	((3.69))	3.81	4.22	4.53	4.73
					<u>3.42</u>				
80.01	85.00	17	3.27	3.47	3.77	4.17	4.57	4.87	4.97
85.01	90.00	18	3.67	3.87	4.17	4.57	4.87	4.97	5.17
90.01	95.00	19	4.07	4.27	4.57	4.97	5.07	5.17	5.37
95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40	5.40
	0.00 5.01 10.01 15.01 20.01 25.01 30.01 35.01 40.01 55.01 60.01 65.01 70.01 75.01 80.01 85.01 90.01	From To 0.00 5.00 5.01 10.00 15.01 20.00 20.01 25.00 30.01 35.00 35.01 40.00 40.01 45.00 45.01 50.00 50.01 55.00 60.01 65.00 60.01 65.00 70.01 75.00 75.01 80.00 80.01 85.00 80.01 85.00	Rate From To Class 0.00 5.00 1 5.01 10.00 2 10.01 15.00 3 15.01 20.00 4 20.01 25.00 5 25.01 30.00 6 30.01 35.00 7 35.01 40.00 8 40.01 45.00 9 45.01 50.00 10 50.01 55.00 11 55.01 60.00 12 60.01 65.00 13 65.01 70.00 14 70.01 75.00 15 75.01 80.00 16 80.01 85.00 17 85.01 90.00 18 90.01 95.00 19	Rate From To Class AA 0.00 5.00 1 0.47 5.01 10.00 2 0.47 10.01 15.00 3 0.57 15.01 20.00 4 0.57 20.01 25.00 5 0.72 25.01 30.00 6 0.91 30.01 35.00 7 1.00 35.01 40.00 8 1.19 40.01 45.00 9 1.37 45.01 50.00 10 1.56 50.01 55.00 11 1.84 55.01 60.00 12 2.03 60.01 65.00 13 2.22 65.01 70.00 14 2.40 70.01 75.00 15 2.68 75.01 80.00 16 2.87 80.01 85.00 17 3.27 85.01 90.00 18 3.67 90.01 95.00 19 4.07	Rate From To Class AA A 0.00 5.00 1 0.47 0.47 5.01 10.00 2 0.47 0.47 10.01 15.00 3 0.57 0.57 15.01 20.00 4 0.57 0.73 20.01 25.00 5 0.72 0.92 25.01 30.00 6 0.91 1.11 30.01 35.00 7 1.00 1.29 35.01 40.00 8 1.19 1.48 40.01 45.00 9 1.37 1.67 45.01 50.00 10 1.56 1.86 50.01 55.00 11 1.84 2.14 55.01 60.00 12 2.03 2.33 60.01 65.00 13 2.22 2.52 65.01 70.00 14 2.40 2.71 70.01 75.00 15 2.68 2.90 75.01 80.00 16 2.87 3.09 6 80.01 85.00 17 3.27 3.47 85.01 90.00 18 3.67 3.87 90.01 95.00 19 4.07 4.27	Rate From To Class AA A B 0.00 5.00 1 0.47 0.47 0.57 5.01 10.00 2 0.47 0.47 0.77 10.01 15.00 3 0.57 0.57 0.97 15.01 20.00 4 0.57 0.73 1.11 20.01 25.00 5 0.72 0.92 1.30 25.01 30.00 6 0.91 1.11 1.49 30.01 35.00 7 1.00 1.29 1.69 35.01 40.00 8 1.19 1.48 1.88 40.01 45.00 9 1.37 1.67 2.07 45.01 50.00 10 1.56 1.86 2.26 50.01 55.00 11 1.84 2.14 2.45 55.01 60.00 12 2.03 2.33 2.64 60.01 65.00 13 2.22 2.52 2.83 65.01 70.00 14 2.40 2.71 3.02 70.01 75.00 15 2.68 2.90 3.21 75.01 80.00 16 2.87 3.09 ((3.69)) 85.01 90.00 18 3.67 3.87 4.17 90.01 95.00 19 4.07 4.27 4.57	Rate From To Class AA A B C 0.00 5.00 1 0.47 0.47 0.57 0.97 5.01 10.00 2 0.47 0.47 0.77 1.17 10.01 15.00 3 0.57 0.57 0.97 1.37 15.01 20.00 4 0.57 0.73 1.11 1.51 20.01 25.00 5 0.72 0.92 1.30 1.70 25.01 30.00 6 0.91 1.11 1.49 1.89 30.01 35.00 7 1.00 1.29 1.69 2.08 35.01 40.00 8 1.19 1.48 1.88 2.27 40.01 45.00 9 1.37 1.67 2.07 2.47 45.01 50.00 10 1.56 1.86 2.26 2.66 50.01 55.00 11 1.84 2.14 2.45 2.85 55.01 60.00 12 2.03 2.33 2.64 3.04 60.01 65.00 13 2.22 2.52 2.83 3.23 65.01 70.00 14 2.40 2.71 3.02 3.43 70.01 75.00 15 2.68 2.90 3.21 3.62 75.01 80.00 16 2.87 3.09 ((3.69)) 3.81 3.42 80.01 85.00 17 3.27 3.47 3.77 4.17 85.01 90.00 18 3.67 3.87 4.17 4.57 90.01 95.00 19 4.07 4.27 4.57 4.97	Rate From To Class AA A B C D 0.00 5.00 1 0.47 0.47 0.57 0.97 1.47 1.67 1.001 15.00 3 0.57 0.92 1.30 1.70 2.09 2.001 25.00 5 0.72 0.92 1.30 1.70 2.09 2.001 35.00 7 1.00 1.29 1.69 2.08 2.48 35.01 40.00 8 1.19 1.48 1.88 2.27 2.67 40.01 45.00 9 1.37 1.67 2.07 2.47 2.87 4.50 15.00 12 2.03 2.33 2.64 3.04 3.44 60.01 65.00 13 2.22 2.52 2.83 3.23 3.64 65.01 70.00 14 2.40 2.71 3.02 3.43 3.83 70.01 75.00 15 2.68 2.90 3.21 3.62 4.02 75.01 80.00 18 3.67 3.87 4.17 4.57 4.87 88.01 90.00 18 3.67 3.87 4.17 4.57 4.87 90.01 95.00 19 4.07 4.27 4.57 4.97 5.07	Rate From To Class AA A B C D E

Percent of

- 28 (6) The contribution rate for each employer not qualified to be in 29 the array shall be as follows:
 - (a) Employers who do not meet the definition of "qualified employer" by reason of failure to pay contributions when due shall be assigned a contribution rate two-tenths higher than that in rate class 20 for the applicable rate year, except employers who have an approved agency-deferred payment contract by September 30 of the previous rate year. If any employer with an approved agency-deferred payment contract fails to make any one of the succeeding deferred payments or fails to submit any succeeding tax report and payment in a timely manner, the employer's tax rate shall immediately revert to a contribution rate two-tenths higher than that in rate class 20 for the applicable rate year; and

p. 3 HB 2303.PL

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

--- END ---