

2901

Sponsor(s): Representatives Conway, Clements, Reardon, Berkey, Kenney, Santos, Lovick, Chase, Simpson, Wood and Sullivan

Brief Description: Regarding unemployment insurance.

HB 2901.E - DIGEST

(DIGEST AS ENACTED)

Provides that, after June 30, 2002, in addition to the amounts that may be obligated under this act, the commissioner may obligate up to thirty-four million dollars for training benefits under RCW 50.22.150 for individuals in the aerospace industry assigned the standard industrial classification code "372" or the North American industry classification system code "336411" whose claims are filed before January 5, 2003. The funds provided in this subsection must be fully obligated for training benefits for these individuals before the funds provided in this act may be obligated for training benefits for these individuals. Any amount of the funds specified in this provision that is not obligated as permitted may not be carried forward to any future period.

Declares that, from July 1, 2002, to June 30, 2004, the maximum amount payable weekly shall be four hundred ninety-six dollars.

Declares that from July 1, 2004, to June 30, 2010, the maximum amount payable weekly shall be seventy percent of the "average weekly wage" for the calendar year preceding such June 30th, except that the maximum amount payable weekly shall not increase by more than four percent each year. If growth in the average annual wage causes growth in the maximum amount payable weekly that exceeds four percent, then fifty percent of the growth rate that exceeds four percent shall be added to the maximum amount payable weekly in any of the subsequent three years.

VETO MESSAGE ON HB 2901

March 26, 2002

To the Honorable Speaker and Members,

The House of Representatives of the State of Washington
Ladies and Gentlemen:

I am returning herewith, without my approval as to section 14, Engrossed House Bill No. 2901 entitled:

"AN ACT Relating to unemployment insurance;"

Engrossed House Bill No. 2901 makes substantive changes to the unemployment insurance (UI) tax system that will be phased in over the next several years. Many of the reforms are based on a 1998 study conducted by the Employment Security Department.

Section 14 of the bill would have created a 16-member task force comprised of legislators, business and labor representatives to further study the UI system, and issue a report by December 31, 2003. Topics for the study included tax equity proposals, benefit structure and costs, experience rating, and any other issues deemed appropriate by the task force.

The task force would have been asked to report on issues covered by EHB 2901, prior to the full implementation of the bill, and before the full effectiveness of the act could be properly measured.

For these reasons, I have vetoed section 14 of Engrossed House Bill No. 2901.

With the exception of section 14, Engrossed House Bill No. 2901 is approved.

Respectfully submitted,
Gary Locke
Governor