

HOUSE BILL REPORT

HB 2152

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to unemployment insurance.

Brief Description: Regarding unemployment insurance.

Sponsors: Representatives Conway and Chandler.

Brief History:

Committee Activity:

Commerce & Labor: 3/3/03, 3/5/03 [DP].

Brief Summary of Bill

- Provides legislative intent to modify the unemployment insurance system to eliminate certain inequities and make the system more fair, predictable, and stable.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 6 members: Representatives Conway, Chair; Wood, Vice Chair; Chandler, Ranking Minority Member; Hudgins, Kenney and McCoy.

Minority Report: Do not pass. Signed by 3 members: Representatives Condotta, Assistant Ranking Minority Member; Crouse and Holmquist.

Staff: Chris Cordes (786-7103).

Background:

Washington's unemployment insurance program provides partial wage replacement benefits for workers who are unemployed through no fault of their own. Employers make contributions through payroll taxes to finance these benefits. The system is administered by the Employment Security Department.

In 2002 the Legislature enacted Engrossed House Bill 2901, which made various changes to unemployment benefits and the tax system. Most of the tax provisions of the bill were

referred to the people in Referendum Measure (RM) 53. In November 2002 the voters rejected RM 53. On January 10, 2003, the Washington Supreme Court rejected a challenge to RM 53 and lifted the injunction imposed on the Secretary of State. As a result, the tax provisions referred to the voters in RM 53 did not take effect.

Summary of Bill:

The Legislature finds that the unemployment insurance system: (1) must continue to fulfill its purposes of partial wage replacement for unemployed workers and community stability during an economic downturn; and (2) should be modified to eliminate certain inequities and make changes that make the system more fair, predictable, and stable.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: None.

Testified: None.