
Commerce & Labor Committee

HB 2553

Brief Description: Addressing unemployment benefits for certain eligible individuals.

Sponsors: Representatives Conway, Green, White, Appleton, Simpson, Ormsby, Moeller and Roberts.

Brief Summary of Bill

- Provides that an individual is not disqualified from receiving unemployment benefits if he or she leaves work because continuing in employment would work an unreasonable hardship on the individual.
- Provides that an individual may not be denied benefits solely because he or she seeks only part-time work, so long as the part-time work is for at least 17 hours per week.

Hearing Date: 1/13/10

Staff: Jill Reinmuth (786-7134).

Background:

An individual is eligible to receive unemployment benefits if he or she: (1) worked at least 680 hours in covered employment in his or her base year; (2) was separated from employment through no fault of his or her own or quit work for good cause; and (3) is able to work and is actively searching for suitable work.

Voluntary Quits.

If an individual quits work without good cause, he or she is disqualified from benefits. The disqualification is for seven weeks and until the individual earns wages in covered employment equal to seven times his or her weekly benefit amount.

An individual has good cause and is not disqualified from benefits if he or she quit work for one of 11 reasons listed in the voluntary quit section, but not for other reasons. The 11 reasons are:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- to accept other work;
- illness or disability, so long as the individual is not entitled to reinstatement;
- to relocate for the employment of a spouse or domestic partner;
- to protect the claimant or an immediate family member from domestic violence or stalking;
- a reduction of 25 percent or more in compensation;
- a reduction of 25 percent or more in hours;
- a change in the worksite that causes increased distance or difficulty of travel;
- deterioration of work site safety;
- illegal activities on the worksite;
- a change in the individual's usual work that violates his or her religious convictions or sincere beliefs; or
- to enter certain apprenticeship programs.

Suitable Work for Part-Time Workers.

"Suitable work" is employment in an occupation in keeping with the individual's prior work experience, education, or training (unless such work is not available in the general area). For most workers, "suitable work" is full-time. For part-time workers, however, "suitable work" includes work for 17 or fewer hours per week. "Part-time workers" are defined as those workers who earn wages in at least 40 weeks of the base year and who do not earn wages in more than 17 hours per week in any weeks of the base year.

States with unemployment insurance laws that provide for no denial of benefits to part-time workers seeking only part-time work may qualify to receive modernization incentive payments under the federal American Recovery and Reinvestment Act of 2009. One-third of an incentive payment is contingent on state law providing for an alternative base period. Two-thirds is contingent on state law providing for at least two of the following:

- no denial of benefits to part-time workers seeking only part-time work;
- no disqualification from benefits for separating from employment for certain compelling family reasons;
- continuation of weekly benefits for exhaustees in state-approved training; or
- dependents' allowances of at least \$15 per dependent per week.

Washington received one-third of the incentive payment, approximately \$49 million, but has not qualified to receive the other two-thirds of the incentive payment.

Summary of Bill:

The Legislature makes findings about the fundamental purposes of the unemployment insurance system, and the need to improve eligibility requirements, disqualification provisions, and benefit amounts.

Voluntary Quits.

An individual is not disqualified from benefits if he or she quit work for one of 11 reasons listed in the voluntary quit section. References to "good cause" and other language limiting good cause reasons to listed reasons are omitted.

An individual also is not disqualified from benefits if he or she quit work because continuing in employment would work an unreasonable hardship on the individual. "Unreasonable hardship" means a result not due to the individual's voluntary action that would cause a reasonable person to leave that employment. The individual must show that:

- he or she left work primarily for work-connected reasons;
- the work-connected reasons were of such a compelling nature they would have caused a reasonably prudent person to leave work; and
- reasonable alternatives were exhausted before leaving work (unless that would have been futile).

These changes apply to separations that occur on or after July 4, 2010.

References to the voluntary quit section in the experience rating section are changed to preserve the manner in which benefits are noncharged or charged only to the separating employer's experience rating account.

Suitable Work for Part-Time Workers.

An individual may not be denied benefits for any week solely because the he or she seeks, applies for, or accepts only part-time work, so long as the part-time work is for at least 17 hours per week.

These changes also apply to separations that occur on or after July 4, 2010.

Appropriation: None.

Fiscal Note: Available.

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