

HOUSE BILL REPORT

HB 3129

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to the unemployment insurance system, but only with respect to improving unemployment benefits and adjusting unemployment contributions.

Brief Description: Concerning the unemployment insurance system, but only with respect to improving unemployment benefits and adjusting unemployment contributions.

Sponsors: Representatives Conway and Simpson.

Brief History:

Committee Activity:

Commerce & Labor: 1/29/10, 2/2/10 [DP].

Brief Summary of Bill

- Makes legislative findings about the unemployment insurance system.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 5 members: Representatives Conway, Chair; Wood, Vice Chair; Green, Moeller and Williams.

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

Staff: Jill Reinmuth (786-7134).

Background:

The unemployment compensation system is designed and intended to provide partial wage replacement for workers who are unemployed through no fault of their own. Eligible unemployed workers receive benefits based on their earnings in their base year. Most covered employers pay contributions (payroll taxes) to finance benefits. The Employment Security Department administers this system.

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.

Summary of Bill:

The Legislature makes findings about the fundamental purposes of the unemployment insurance system. The Legislature also finds that: (1) benefits should be improved to enhance the system's effects on individuals, families, and communities; and (2) contributions should be adjusted to help citizens access training and education, and to mitigate the recent economic downturn's effects on employers.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) This title-only bill was introduced for purposes of a larger discussion of both benefits and taxes. There are concerns about exhaustion of benefits. There are bills that address part-time workers and voluntary quits. There is a bill that addresses taxes. There is major federal legislation that would extend benefits.

The balanced approach in this bill is favored. The way out of the recession is together, with consideration of both tax relief along with increased unemployment benefits.

(With concerns) There can be an agreement based on a balanced approach to premiums and benefits. The statewide unemployment rate is 9.5 percent. In the construction industry, the unemployment rate averages 30 to 35 percent, and in some cases, is up to 50 percent. These are unprecedented times. Workers who would normally seek work in other parts of the country have nowhere to go. There is a need to address the safety net.

(Opposed) None.

Persons Testifying: (In support) Representative Conway, prime sponsor; and Rebecca Johnson, Washington State Labor Council.

(With concerns) David Johnson, Washington State Building and Construction Trades Council.

Persons Signed In To Testify But Not Testifying: (In support) Dennis Curtis, Plumbers and Pipefitters Union; Gidion Tyingham, United Association Local 26; and Evelyn Shapiro-O'Conner, Pacific Northwest Regional Council of Carpenters.

(Opposed) Bruce Durham and Eric Bohmer, Local 32 Plumbers and Pipefitters; Martin Birnie, International Brotherhood of Electrical Workers Local 46; and Mark McRue, United Association Local 32.