

SENATE BILL REPORT

SB 5758

As Reported by Senate Committee On:
Commerce & Labor, February 22, 2013

Title: An act relating to making coverage of certain maritime service elective for purposes of unemployment compensation.

Brief Description: Making coverage of certain maritime service elective for purposes of unemployment compensation.

Sponsors: Senators Holmquist Newbry, Braun and King.

Brief History:

Committee Activity: Commerce & Labor: 2/22/13 [DP, w/oRec].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Holmquist Newbry, Chair; Braun, Vice Chair; Conway, Ranking Member; Hewitt and King.

Minority Report: That it be referred without recommendation.

Signed by Senators Hasegawa and Keiser.

Staff: Mac Nicholson (786-7445)

Background: Most employment is covered employment for purposes of unemployment insurance. With respect to maritime employment, an individual's service as an officer or crew member of an American vessel is covered, wherever the service is performed, if the employer maintains an in-state operating office at the start of the pay period from which the operations of the vessel are ordinarily managed and controlled.

Summary of Bill: Services performed by an individual on a fishing boat is not covered employment if the employer is not a reimbursable employer; the individual receives only a share of the boat's catch or the proceeds from the sale of the catch; the amount of the share depends on the amount of fish caught; and the operating crew of the boat is normally made up of fewer than ten individuals.

A maritime employer may elect to cover exempt employees.

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.

Appropriation: None.

Fiscal Note: Available (on companion).

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Many members of the Purse Seine Vessel Owners Association are based in Washington, and to survive, they have had to diversify and fish outside the state. The law is confusing in this area and depends on whether the owner maintains a home office here. These fishing operations are small, and do not have home offices. The offices are in the boat. This bill simplifies the problem and makes it identical to Alaskan law.

OTHER: This bill takes a small population of people eligible for unemployment insurance and makes them ineligible. This bill would not affect tax rates or bring instability into the system.

Persons Testifying: PRO: Tom Echols, Bob Kehoe, Purse Seine Vessel Owners Assn.

OTHER: Neil Gorrell, Employment Security Dept.