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**SENATE BILL 6234**

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**State of Washington**

**66th Legislature**

**2020 Regular Session**

**By** Senators Kuderer, Nguyen, Lovelett, Hasegawa, Das, McCoy, and Wilson, C.

Prefiled 01/10/20. Read first time 01/13/20. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to the use of third parties by employers to  
2 dispute unemployment claims; amending RCW 50.32.020; adding a new  
3 section to chapter 50.44 RCW; creating a new section; and providing  
4 an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 50.44  
7 RCW to read as follows:

8 (1) This section only applies to the following employers: This  
9 state; any of this state's wholly owned instrumentalities; jointly  
10 owned instrumentalities of this state and another state; any of this  
11 state's political subdivisions; any instrumentality of one or more  
12 political subdivisions of this state; or any instrumentality of one  
13 or more political subdivisions of this state and any other state.

14 (2) Employers covered by this section may not contract with a  
15 private entity to:

16 (a) Respond on behalf of the employer to written requests by the  
17 department for information relating to an individual's claim or  
18 claims;

19 (b) File appeals and petitions for review on behalf of the  
20 employer regarding an individual's right to benefits; or

1 (c) Represent the employer before the appeal tribunal and the  
2 commissioner in appeals involving an individual's right to benefits.

3 (3) Nothing in this section prohibits an employer from  
4 contracting with a private entity, including a third-party payer or  
5 professional employer organization, for any services other than the  
6 services prohibited by subsection (2) of this section.

7 **Sec. 2.** RCW 50.32.020 and 1987 c 61 s 1 are each amended to read  
8 as follows:

9 (1) The applicant or claimant, his or her most recent employing  
10 unit or any interested party which the commissioner by regulation  
11 prescribes, may file an appeal from any determination or  
12 redetermination with the appeal tribunal within thirty days after the  
13 date of notification or mailing, whichever is earlier, of such  
14 determination or redetermination to his or her last known address:  
15 PROVIDED, That in the event an appeal with respect to any  
16 determination is pending as of the date when a redetermination  
17 thereof is issued, such appeal, unless withdrawn, shall be treated as  
18 an appeal from such redetermination. Any appeal from a determination  
19 of denial of benefits which is effective for an indefinite period  
20 shall be deemed to be an appeal as to all weeks subsequent to the  
21 effective date of the denial for which benefits have already been  
22 denied. If no appeal is taken from any determination, or  
23 redetermination, within the time allowed by the provisions of this  
24 section for appeal therefrom, said determination, or redetermination,  
25 as the case may be, shall be conclusively deemed to be correct except  
26 as hereinbefore provided in respect to reconsideration by the  
27 commissioner of any determination.

28 (2)(a) If an employer or employer's agent fails to respond or  
29 inadequately responds to a written request of the department for  
30 information relating to an individual's claim or claims, and a third-  
31 party payer files an appeal with the appeal tribunal on behalf of the  
32 employer, and the appeal concerns the same legal or factual issue of  
33 concern in the request for information, the employer shall pay the  
34 department a one thousand dollar penalty. If the appeal does not  
35 result in a final decision denying benefits to the individual, then  
36 the employer shall pay the department an additional one thousand  
37 dollar penalty.

38 (b) For the purposes of this subsection, "inadequately" means  
39 failing to provide accurate information of sufficient quantity and

1 quality that would allow a reasonable person to determine eligibility  
2 for benefits.

3 NEW SECTION. **Sec. 3.** If any part of this act is found to be in  
4 conflict with federal requirements that are a prescribed condition to  
5 the allocation of federal funds to the state or the eligibility of  
6 employers in this state for federal unemployment tax credits, the  
7 conflicting part of this act is inoperative solely to the extent of  
8 the conflict, and the finding or determination does not affect the  
9 operation of the remainder of this act. Rules adopted under this act  
10 must meet federal requirements that are a necessary condition to the  
11 receipt of federal funds by the state or the granting of federal  
12 unemployment tax credits to employers in this state.

13 NEW SECTION. **Sec. 4.** If any provision of this act or its  
14 application to any person or circumstance is held invalid, the  
15 remainder of the act or the application of the provision to other  
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 5.** This act takes effect March 1, 2021.

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