

ESSB 5478 - H AMD TO APP COMM AMD (H-1555.1/21) **748**

By Representative Bergquist

NOT ADOPTED 04/22/2021

1 On page 5, line 17 of the striking amendment, after "than a"
2 strike "four" and insert "three"

3
4 On page 5, line 24 of the striking amendment, after "increased by"
5 strike "six" and insert "four"

6
7 On page 6, line 27 of the striking amendment, after "than a"
8 strike "four" and insert "three"

9
10 On page 6, line 34 of the striking amendment, after "increased by"
11 strike "six" and insert "four"

12
13 On page 7, after line 21 of the striking amendment, insert the
14 following:

15
16 "NEW SECTION. Sec. 7. A new section is added to chapter 50.29 RCW
17 to read as follows:

18 (1) If moneys remain in the unemployment insurance relief account
19 after the department determines the forgiven benefits for all approved
20 employers pursuant to sections 3 through 6 of this act, then by
21 December 21, 2021, the department must again determine any forgiven
22 benefits for approved category 1 employers to be reimbursed by the
23 unemployment insurance relief account instead of charged to the
24 employer's experience rating account. Total approved benefits for all
25 approved category 1 employers may not exceed the available benefits
26 for category 1.

27

1 (2) The department will not charge the forgiven benefits to the
2 employer's experience rating account. The commissioner must instead
3 transfer from the unemployment insurance relief account to the
4 unemployment compensation fund created in RCW 50.16.010 an amount
5 equal to the forgiven benefits.

6 (3) For the purposes of this section, the following definitions
7 apply:

8 (a) "Approved benefits" means any remaining benefits paid to
9 employees of an approved category 1 employer during the fiscal year
10 ending June 30, 2021, that were not previously forgiven under section
11 3 of this act, not to exceed an amount that would reduce the
12 employer's rate class increase to no more than a two rate class
13 increase. Approved benefits must not include benefits that were not
14 charged to the employer's experience rating account or benefits
15 otherwise relieved under RCW 50.29.021.

16 (b) "Approved category 1 employer" has the same meaning as defined
17 in section 3 of this act.

18 (c) "Available benefits for category 1" means the total amount of
19 money in the unemployment insurance relief account.

20 (d) "Forgiven benefits" means the approved benefits for an
21 individual employer multiplied by the forgiveness ratio.

22 (e) "Forgiveness ratio" is computed by dividing the available
23 benefits for category 1 by the total approved benefits. The
24 forgiveness ratio cannot be more than one.

25 (f) "Total approved benefits" means the sum total of all approved
26 benefits.

27 (4) The department must adopt such rules as are necessary to carry
28 out the purposes of this section.

29 (5) This section expires July 30, 2022.

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32 NEW SECTION. Sec. 8. A new section is added to chapter 50.29 RCW
33 to read as follows:

34

1 (1) If moneys remain in the unemployment insurance relief account
2 after the department determines the forgiven benefits for approved
3 category 1 employers pursuant to section 7 of this act, the department
4 must again determine any forgiven benefits for approved category 2
5 employers to be reimbursed by the unemployment insurance relief
6 account instead of charged to the employer's experience rating
7 account. Total approved benefits for all approved category 2 employers
8 may not exceed the available benefits for category 2.

9 (2) The department will not charge the forgiven benefits to the
10 employer's experience rating account. The commissioner must instead
11 transfer from the unemployment insurance relief account to the
12 unemployment compensation fund created in RCW 50.16.010 an amount
13 equal to the forgiven benefits.

14 (3) For the purposes of this section, the following definitions
15 apply:

16 (a) "Approved benefits" means any remaining benefits paid to
17 employees of an approved category 2 employer during the fiscal year
18 ending June 30, 2021, that were not previously forgiven under section
19 4 of this act, not to exceed an amount that would reduce the
20 employer's rate class increase to no more than a two rate class
21 increase. Approved benefits must not include benefits that were not
22 charged to the employer's experience rating account or benefits
23 otherwise relieved under RCW 50.29.021.

24 (b) "Approved category 2 employer" has the same meaning as defined
25 in section 4 of this act.

26 (c) "Available benefits for category 2" means the sum total of:

27 (i) The difference between the available benefits for category 1,
28 as defined in section 7 of this act, and the total approved benefits
29 for approved category 1 employers, as defined in section 7 of this
30 act; and

31 (ii) The total amount of money in the unemployment insurance
32 relief account.

33 (d) "Forgiven benefits" means the approved benefits for an
34 individual employer multiplied by the forgiveness ratio.

1 (e) "Forgiveness ratio" is computed by dividing the available
2 benefits for category 2 by the total approved benefits. The
3 forgiveness ratio cannot be more than one.

4 (f) "Total approved benefits" means the sum total of all approved
5 benefits.

6 (4) The department must adopt such rules as are necessary to carry
7 out the purposes of this section.

8 (5) This section expires July 30, 2022.

9
10 NEW SECTION. Sec. 9. A new section is added to chapter 50.29 RCW
11 to read as follows:

12 (1) If moneys remain in the unemployment insurance relief account
13 after the department determines the forgiven benefits for approved
14 category 2 employers pursuant to section 8 of this act, the department
15 must again determine any forgiven benefits for approved category 3
16 employers to be reimbursed by the unemployment insurance relief
17 account instead of charged to the employer's experience rating
18 account. Total approved benefits for all approved category 3 employers
19 may not exceed the available benefits for category 3.

20 (2) The department will not charge the forgiven benefits to the
21 employer's experience rating account. The commissioner must instead
22 transfer from the unemployment insurance relief account to the
23 unemployment compensation fund created in RCW 50.16.010 an amount
24 equal to the forgiven benefits.

25 (3) For the purposes of this section, the following definitions
26 apply:

27 (a) "Approved benefits" means any remaining benefits paid to
28 employees of an approved category 3 employer during the fiscal year
29 ending June 30, 2021, that were not previously forgiven under section
30 5 of this act, not to exceed an amount that would reduce the
31 employer's rate class increase to no more than a three rate class
32 increase. Approved benefits must not include benefits that were not
33 charged to the employer's experience rating account or benefits
34 otherwise relieved under RCW 50.29.021.

1 (b) "Approved category 3 employer" has the same meaning as defined
2 in section 5 of this act.

3 (c) "Available benefits for category 3" means the sum total of:

4 (i) The difference between the available benefits for category 2,
5 as defined under section 8 of this act, and the total approved
6 benefits for approved category 2 employers, as defined under section 8
7 of this act; and

8 (ii) The total amount of money in the unemployment insurance
9 relief account.

10 (d) "Forgiven benefits" means the approved benefits for an
11 individual employer multiplied by the forgiveness ratio.

12 (e) "Forgiveness ratio" is computed by dividing the available
13 benefits for category 3 by the total approved benefits. The
14 forgiveness ratio cannot be more than one.

15 (f) "Total approved benefits" means the sum total of all approved
16 benefits.

17 (4) The department must adopt such rules as are necessary to carry
18 out the purposes of this section.

19 (5) This section expires July 30, 2022."

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21 Renumber the remaining sections consecutively and correct any
22 internal references accordingly.

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24 On page 7, line 24 of the striking amendment, after "(1) By"
25 strike "July 30th" and insert "September 1st"

EFFECT: Provides that an employer is eligible for category 3 or category 4 if the employer's experience rating has increased by four or more rate classes instead of by six or more. Requires that approved benefits for a category 3 or category 4 employer may not exceed an amount that would reduce the employer's rate class increase to no more than a three, instead of four, rate class increase. Requires that any funds remaining in the Unemployment Insurance Relief Account after the Employment Security Department determines the forgiven benefits for category 4 employers must be redistributed beginning with category 1 employers and ending with category 3 employers according to this act. Changes the date for the Department to determine which employers have not paid all

contributions, penalties, or interest due, and have not entered into a department-approved deferred payment contract, from July 30th to September 1st of each year.

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