

ESSB 5478 - H AMD TO APP COMM AMD (H-1555.1/21) **750**

By Representative Bergquist

ADOPTED 04/22/2021

1 On page 2, line 11 of the striking amendment, after "5," strike
2 "and 6" and insert "6, 7, 8, and 9"

3
4 On page 2, line 25 of the striking amendment, after "Total" strike
5 "approved" and insert "forgiven"

6
7 On page 3, line 31 of the striking amendment, after "Total" strike
8 "approved" and insert "forgiven"

9
10 On page 4, line 23 of the striking amendment, after "the total"
11 strike "approved" and insert "forgiven"

12
13 On page 5, line 4 of the striking amendment, after "Total" strike
14 "approved" and insert "forgiven"

15
16 On page 5, line 17 of the striking amendment, after "than a"
17 strike "four" and insert "three"

18
19 On page 5, line 24 of the striking amendment, after "increased by"
20 strike "six" and insert "four"

21
22 On page 5, line 33 of the striking amendment, after "the total"
23 strike "approved" and insert "forgiven"

24
25 On page 6, line 14 of the striking amendment, after "Total" strike
26 "approved" and insert "forgiven"

27

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

3
4 On page 6, line 34 of the striking amendment, after "increased by"
5 strike "six" and insert "four"

6
7 On page 7, line 7 of the striking amendment, after "the total"
8 strike "approved" and insert "forgiven"

9
10 On page 7, after line 21 of the striking amendment, insert the
11 following:

12
13 "NEW SECTION. Sec. 7. A new section is added to chapter 50.29 RCW
14 to read as follows:

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

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

29 (3) For the purposes of this section, the following definitions
30 apply:

31 (a) "Approved benefits" means any remaining benefits paid to
32 employees of an approved category 1 employer during the fiscal year
33 ending June 30, 2021, that were not previously forgiven under section
34 3 of this act, not to exceed an amount that would reduce the

1 employer's rate class increase to no more than a two rate class
2 increase. Approved benefits must not include benefits that were not
3 charged to the employer's experience rating account or benefits
4 otherwise relieved under RCW 50.29.021.

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

7 (c) "Available benefits for category 1" means the total amount of
8 money remaining in the unemployment insurance relief account after
9 benefits are forgiven according to sections 3 through 6 of this act.

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 1 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.

20

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

23 (1) If moneys remain in the unemployment insurance relief account
24 after the department determines the forgiven benefits for approved
25 category 1 employers pursuant to section 7 of this act, the department
26 must again determine any forgiven benefits for approved category 2
27 employers to be reimbursed by the unemployment insurance relief
28 account instead of charged to the employer's experience rating
29 account. Total forgiven benefits for all approved category 2 employers
30 may not exceed the available benefits for category 2.

31 (2) The department will not charge the forgiven benefits to the
32 employer's experience rating account. The commissioner must instead
33 transfer from the unemployment insurance relief account to the
34

1 unemployment compensation fund created in RCW 50.16.010 an amount
2 equal to the forgiven benefits.

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

5 (a) "Approved benefits" means any remaining benefits paid to
6 employees of an approved category 2 employer during the fiscal year
7 ending June 30, 2021, that were not previously forgiven under section
8 4 of this act, not to exceed an amount that would reduce the
9 employer's rate class increase to no more than a two rate class
10 increase. Approved benefits must not include benefits that were not
11 charged to the employer's experience rating account or benefits
12 otherwise relieved under RCW 50.29.021.

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

15 (c) "Available benefits for category 2" means the difference
16 between the available benefits for category 1, as defined in section 7
17 of this act, and the total forgiven benefits for approved category 1
18 employers, as defined in section 7 of this act.

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

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

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

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

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

29
30 NEW SECTION. Sec. 9. A new section is added to chapter 50.29 RCW
31 to read as follows:

32 (1) If moneys remain in the unemployment insurance relief account
33 after the department determines the forgiven benefits for approved
34 category 2 employers pursuant to section 8 of this act, the department

1 must again determine any forgiven benefits for approved category 3
2 employers to be reimbursed by the unemployment insurance relief
3 account instead of charged to the employer's experience rating
4 account. Total forgiven benefits for all approved category 3 employers
5 may not exceed the available benefits for category 3.

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

11 (3) For the purposes of this section, the following definitions
12 apply:

13 (a) "Approved benefits" means any remaining benefits paid to
14 employees of an approved category 3 employer during the fiscal year
15 ending June 30, 2021, that were not previously forgiven under section
16 5 of this act, not to exceed an amount that would reduce the
17 employer's rate class increase to no more than a three rate class
18 increase. Approved benefits must not include benefits that were not
19 charged to the employer's experience rating account or benefits
20 otherwise relieved under RCW 50.29.021.

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

23 (c) "Available benefits for category 3" means the difference
24 between the available benefits for category 2, as defined under
25 section 8 of this act, and the total forgiven benefits for approved
26 category 2 employers, as defined under section 8 of this act.

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

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

32 (f) "Total approved benefits" means the sum total of all approved
33 benefits.

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

3 (5) This section expires July 30, 2022."
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5 Renumber the remaining sections consecutively and correct any
6 internal references accordingly.
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8 On page 7, line 24 of the striking amendment, after "(1) By"
9 strike "July 30th" and insert "September 1st"
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11

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. Corrects a technical error to reference forgiven benefits instead of approved benefits. Adds sections 7, 8, and 9 to the allowable uses of the Unemployment Insurance Relief Account.

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