
SECOND SUBSTITUTE SENATE BILL 5809 (Corrected Copy)

State of Washington 61st Legislature 2009 Regular Session

By Senate Ways & Means (originally sponsored by Senator Hargrove)

READ FIRST TIME 03/02/09.

1 AN ACT Relating to workforce employment and training; amending RCW
2 50.16.010, 50.29.025, 50.24.014, and 50.20.---; adding a new section to
3 chapter 50.22 RCW; creating new sections; providing an effective date;
4 providing an expiration date; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** It is the purpose of this act to reduce the
7 amount paid by employers in the state to the unemployment compensation
8 fund by one-tenth of one percent of taxable wages.

9 It is also the purpose of this act to establish a separate fund for
10 workforce training grants for dislocated workers. This fund shall
11 consist of contributions of one-tenth of one percent of taxable wages.

12 It is the intent of the legislature that this act not result in any
13 net increase in employer tax rates.

14 **Sec. 2.** RCW 50.16.010 and 2009 c 4 s 906 are each amended to read
15 as follows:

16 (1) There shall be maintained as special funds, separate and apart
17 from all public moneys or funds of this state an unemployment
18 compensation fund, an administrative contingency fund, and a federal

1 interest payment fund, which shall be administered by the commissioner
2 exclusively for the purposes of this title, and to which RCW 43.01.050
3 shall not be applicable.

4 (2)(a) The unemployment compensation fund shall consist of:

5 (i) All contributions collected under RCW 50.24.010 and payments in
6 lieu of contributions collected pursuant to the provisions of this
7 title;

8 (ii) Any property or securities acquired through the use of moneys
9 belonging to the fund;

10 (iii) All earnings of such property or securities;

11 (iv) Any moneys received from the federal unemployment account in
12 the unemployment trust fund in accordance with Title XII of the social
13 security act, as amended;

14 (v) All money recovered on official bonds for losses sustained by
15 the fund;

16 (vi) All money credited to this state's account in the unemployment
17 trust fund pursuant to section 903 of the social security act, as
18 amended;

19 (vii) All money received from the federal government as
20 reimbursement pursuant to section 204 of the federal-state extended
21 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

22 (viii) All moneys received for the fund from any other source.

23 (b) All moneys in the unemployment compensation fund shall be
24 commingled and undivided.

25 (3)(a) Except as provided in (b) of this subsection, the
26 administrative contingency fund shall consist of:

27 (i) All interest on delinquent contributions collected pursuant to
28 this title;

29 (ii) All fines and penalties collected pursuant to the provisions
30 of this title;

31 (iii) All sums recovered on official bonds for losses sustained by
32 the fund; and

33 (iv) Revenue received under RCW 50.24.014.

34 (b) All fees, fines, forfeitures, and penalties collected or
35 assessed by a district court because of the violation of this title or
36 rules adopted under this title shall be remitted as provided in chapter
37 3.62 RCW.

1 (c) During the 2007-2009 biennium, moneys available in the
2 administrative contingency fund, other than money in the special
3 account created under RCW 50.24.014(1)(a), shall be expended as
4 appropriated by the legislature for the (i) cost of the job skills or
5 worker retraining programs at the community and technical colleges and
6 administrative costs at the state board for community and technical
7 colleges, and (ii) reemployment services such as business and project
8 development assistance, local economic development capacity building,
9 and local economic development financial assistance at the department
10 of community, trade, and economic development, and the remaining
11 appropriation upon the direction of the commissioner, with the approval
12 of the governor, whenever it appears to him or her that such
13 expenditure is necessary solely for:

14 (i) The proper administration of this title and that insufficient
15 federal funds are available for the specific purpose to which such
16 expenditure is to be made, provided, the moneys are not substituted for
17 appropriations from federal funds which, in the absence of such moneys,
18 would be made available.

19 (ii) The proper administration of this title for which purpose
20 appropriations from federal funds have been requested but not yet
21 received, provided, the administrative contingency fund will be
22 reimbursed upon receipt of the requested federal appropriation.

23 (iii) The proper administration of this title for which compliance
24 and audit issues have been identified that establish federal claims
25 requiring the expenditure of state resources in resolution. Claims
26 must be resolved in the following priority: First priority is to
27 provide services to eligible participants within the state; second
28 priority is to provide substitute services or program support; and last
29 priority is the direct payment of funds to the federal government.

30 Money in the special account created under RCW 50.24.014(1)(a) may
31 only be expended, after appropriation, for the purposes specified in
32 this section and section 5 of this act until the funds from the rate
33 transfer in RCW 50.24.014 are expended or no later than June 30, 2012,
34 RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and
35 50.22.010.

36 **Sec. 3.** RCW 50.29.025 and 2007 c 51 s 1 are each amended to read
37 as follows:

1 (1) Except as provided in subsection (2) of this section, the
2 contribution rate for each employer subject to contributions under RCW
3 50.24.010 shall be determined under this subsection.

4 (a) A fund balance ratio shall be determined by dividing the
5 balance in the unemployment compensation fund as of the September 30th
6 immediately preceding the rate year by the total remuneration paid by
7 all employers subject to contributions during the second calendar year
8 preceding the rate year and reported to the department by the following
9 March 31st. The division shall be carried to the fourth decimal place
10 with the remaining fraction, if any, disregarded. The fund balance
11 ratio shall be expressed as a percentage.

12 (b) The interval of the fund balance ratio, expressed as a
13 percentage, shall determine which tax schedule in (e) of this
14 subsection shall be in effect for assigning tax rates for the rate
15 year. The intervals for determining the effective tax schedule shall
16 be:

17	Interval of the	
18	Fund Balance Ratio	Effective
19	Expressed as a Percentage	Tax Schedule
20	2.90 and above	AA
21	2.10 to 2.89	A
22	1.70 to 2.09	B
23	1.40 to 1.69	C
24	1.00 to 1.39	D
25	0.70 to 0.99	E
26	Less than 0.70	F

27 (c) An array shall be prepared, listing all qualified employers in
28 ascending order of their benefit ratios. The array shall show for each
29 qualified employer: (i) Identification number; (ii) benefit ratio;
30 (iii) taxable payrolls for the four calendar quarters immediately
31 preceding the computation date and reported to the department by the
32 cut-off date; (iv) a cumulative total of taxable payrolls consisting of
33 the employer's taxable payroll plus the taxable payrolls of all other
34 employers preceding him or her in the array; and (v) the percentage
35 equivalent of the cumulative total of taxable payrolls.

1 (d) Each employer in the array shall be assigned to one of twenty
 2 rate classes according to the percentage intervals of cumulative
 3 taxable payrolls set forth in (e) of this subsection: PROVIDED, That
 4 if an employer's taxable payroll falls within two or more rate classes,
 5 the employer and any other employer with the same benefit ratio shall
 6 be assigned to the lowest rate class which includes any portion of the
 7 employer's taxable payroll.

8 (e) Except as provided in RCW 50.29.026, the contribution rate for
 9 each employer in the array shall be the rate specified in the following
 10 tables for the rate class to which he or she has been assigned, as
 11 determined under (d) of this subsection, within the tax schedule which
 12 is to be in effect during the rate year:

		Percent of		Schedules of Contributions Rates							
		Cumulative		for Effective Tax Schedule							
		Taxable Payrolls									
		Rate									
	From	To Class	AA	A	B	C	D	E	F		
13											
14											
15											
16											
17											
18											
19		0.00	5.00	1	0.47	0.47	0.57	0.97	1.47	1.87	2.47
20		5.01	10.00	2	0.47	0.47	0.77	1.17	1.67	2.07	2.67
21		10.01	15.00	3	0.57	0.57	0.97	1.37	1.77	2.27	2.87
22		15.01	20.00	4	0.57	0.73	1.11	1.51	1.90	2.40	2.98
23		20.01	25.00	5	0.72	0.92	1.30	1.70	2.09	2.59	3.08
24		25.01	30.00	6	0.91	1.11	1.49	1.89	2.29	2.69	3.18
25		30.01	35.00	7	1.00	1.29	1.69	2.08	2.48	2.88	3.27
26		35.01	40.00	8	1.19	1.48	1.88	2.27	2.67	3.07	3.47
27		40.01	45.00	9	1.37	1.67	2.07	2.47	2.87	3.27	3.66
28		45.01	50.00	10	1.56	1.86	2.26	2.66	3.06	3.46	3.86
29		50.01	55.00	11	1.84	2.14	2.45	2.85	3.25	3.66	3.95
30		55.01	60.00	12	2.03	2.33	2.64	3.04	3.44	3.85	4.15
31		60.01	65.00	13	2.22	2.52	2.83	3.23	3.64	4.04	4.34
32		65.01	70.00	14	2.40	2.71	3.02	3.43	3.83	4.24	4.54
33		70.01	75.00	15	2.68	2.90	3.21	3.62	4.02	4.43	4.63
34		75.01	80.00	16	2.87	3.09	3.42	3.81	4.22	4.53	4.73
35		80.01	85.00	17	3.27	3.47	3.77	4.17	4.57	4.87	4.97
36		85.01	90.00	18	3.67	3.87	4.17	4.57	4.87	4.97	5.17
37		90.01	95.00	19	4.07	4.27	4.57	4.97	5.07	5.17	5.37
38		95.01	100.00	20	5.40	5.40	5.40	5.40	5.40	5.40	5.40

1 (f) The contribution rate for each employer not qualified to be in
2 the array shall be as follows:

3 (i) Employers who do not meet the definition of "qualified
4 employer" by reason of failure to pay contributions when due shall be
5 assigned a contribution rate two-tenths higher than that in rate class
6 20 for the applicable rate year, except employers who have an approved
7 agency-deferred payment contract by September 30 of the previous rate
8 year. If any employer with an approved agency-deferred payment
9 contract fails to make any one of the succeeding deferred payments or
10 fails to submit any succeeding tax report and payment in a timely
11 manner, the employer's tax rate shall immediately revert to a
12 contribution rate two-tenths higher than that in rate class 20 for the
13 applicable rate year; and

14 (ii) For all other employers not qualified to be in the array, the
15 contribution rate shall be a rate equal to the average industry rate as
16 determined by the commissioner; however, the rate may not be less than
17 one percent.

18 (2) Beginning with contributions assessed for rate year 2005, the
19 contribution rate for each employer subject to contributions under RCW
20 50.24.010 shall be the sum of the array calculation factor rate and the
21 graduated social cost factor rate determined under this subsection, and
22 the solvency surcharge determined under RCW 50.29.041, if any.

23 (a) The array calculation factor rate shall be determined as
24 follows:

25 (i) An array shall be prepared, listing all qualified employers in
26 ascending order of their benefit ratios. The array shall show for each
27 qualified employer: (A) Identification number; (B) benefit ratio; and
28 (C) taxable payrolls for the four consecutive calendar quarters
29 immediately preceding the computation date and reported to the
30 employment security department by the cut-off date.

31 (ii) Each employer in the array shall be assigned to one of forty
32 rate classes according to his or her benefit ratio as follows, and,
33 except as provided in RCW 50.29.026, the array calculation factor rate
34 for each employer in the array shall be the rate specified in the rate
35 class to which the employer has been assigned:

	Benefit Ratio		Rate	Rate
	At least	Less than	Class	(percent)
3		0.000001	1	0.00
4	0.000001	0.001250	2	0.13
5	0.001250	0.002500	3	0.25
6	0.002500	0.003750	4	0.38
7	0.003750	0.005000	5	0.50
8	0.005000	0.006250	6	0.63
9	0.006250	0.007500	7	0.75
10	0.007500	0.008750	8	0.88
11	0.008750	0.010000	9	1.00
12	0.010000	0.011250	10	1.15
13	0.011250	0.012500	11	1.30
14	0.012500	0.013750	12	1.45
15	0.013750	0.015000	13	1.60
16	0.015000	0.016250	14	1.75
17	0.016250	0.017500	15	1.90
18	0.017500	0.018750	16	2.05
19	0.018750	0.020000	17	2.20
20	0.020000	0.021250	18	2.35
21	0.021250	0.022500	19	2.50
22	0.022500	0.023750	20	2.65
23	0.023750	0.025000	21	2.80
24	0.025000	0.026250	22	2.95
25	0.026250	0.027500	23	3.10
26	0.027500	0.028750	24	3.25
27	0.028750	0.030000	25	3.40
28	0.030000	0.031250	26	3.55
29	0.031250	0.032500	27	3.70
30	0.032500	0.033750	28	3.85
31	0.033750	0.035000	29	4.00
32	0.035000	0.036250	30	4.15
33	0.036250	0.037500	31	4.30
34	0.037500	0.040000	32	4.45
35	0.040000	0.042500	33	4.60
36	0.042500	0.045000	34	4.75

1	0.045000	0.047500	35	4.90
2	0.047500	0.050000	36	5.05
3	0.050000	0.052500	37	5.20
4	0.052500	0.055000	38	5.30
5	0.055000	0.057500	39	5.35
6	0.057500		40	5.40

7 (b) The graduated social cost factor rate shall be determined as
8 follows:

9 (i)(A) Except as provided in (b)(i)(B) and (C) of this subsection,
10 the commissioner shall calculate the flat social cost factor for a rate
11 year by dividing the total social cost by the total taxable payroll.
12 The division shall be carried to the second decimal place with the
13 remaining fraction disregarded unless it amounts to five hundredths or
14 more, in which case the second decimal place shall be rounded to the
15 next higher digit. The flat social cost factor shall be expressed as
16 a percentage.

17 (B) If, on the cut-off date, the balance in the unemployment
18 compensation fund is determined by the commissioner to be an amount
19 that will provide more than ten months of unemployment benefits, the
20 commissioner shall calculate the flat social cost factor for the rate
21 year immediately following the cut-off date by reducing the total
22 social cost by the dollar amount that represents the number of months
23 for which the balance in the unemployment compensation fund on the cut-
24 off date will provide benefits above ten months and dividing the result
25 by the total taxable payroll. However, the calculation under this
26 subsection (2)(b)(i)(B) for a rate year may not result in a flat social
27 cost factor that is more than four-tenths lower than the calculation
28 under (b)(i)(A) of this subsection for that rate year.

29 For the purposes of this subsection, the commissioner shall
30 determine the number of months of unemployment benefits in the
31 unemployment compensation fund using the benefit cost rate for the
32 average of the three highest calendar benefit cost rates in the twenty
33 consecutive completed calendar years immediately preceding the cut-off
34 date or a period of consecutive calendar years immediately preceding
35 the cut-off date that includes three recessions, if longer.

36 (C) The minimum flat social cost factor calculated under this

1 subsection (2)(b) shall be six-tenths of one percent, except that if
2 the balance in the unemployment compensation fund is determined by the
3 commissioner to be an amount that will provide:

4 (I) At least twelve months but less than fourteen months of
5 unemployment benefits, the minimum shall be five-tenths of one percent;
6 or

7 (II) At least fourteen months of unemployment benefits, the minimum
8 shall be five-tenths of one percent, except that, for employers in rate
9 class 1, the minimum shall be forty-five hundredths of one percent.

10 (ii)(A) Except as provided in (b)(ii)(B) and (C) of this
11 subsection, the graduated social cost factor rate for each employer in
12 the array is the flat social cost factor multiplied by the percentage
13 specified as follows for the rate class to which the employer has been
14 assigned in (a)(ii) of this subsection, except that the sum of an
15 employer's array calculation factor rate and the graduated social cost
16 factor rate may not exceed six and five-tenths percent or, for
17 employers whose North American industry classification system code is
18 within "111," "112," "1141," "115," "3114," "3117," "42448," or
19 "49312," may not exceed six percent through rate year 2007 and may not
20 exceed five and seven-tenths percent for rate year 2008 and thereafter:

21 (I) Rate class 1 - 78 percent;

22 (II) Rate class 2 - 82 percent;

23 (III) Rate class 3 - 86 percent;

24 (IV) Rate class 4 - 90 percent;

25 (V) Rate class 5 - 94 percent;

26 (VI) Rate class 6 - 98 percent;

27 (VII) Rate class 7 - 102 percent;

28 (VIII) Rate class 8 - 106 percent;

29 (IX) Rate class 9 - 110 percent;

30 (X) Rate class 10 - 114 percent;

31 (XI) Rate class 11 - 118 percent; and

32 (XII) Rate classes 12 through 40 - 120 percent.

33 (B) For contributions assessed beginning July 1, 2005, through
34 December 31, 2007, for employers whose North American industry
35 classification system code is "111," "112," "1141," "115," "3114,"
36 "3117," "42448," or "49312," the graduated social cost factor rate is
37 zero.

1 (C) For tax rate year 2010, one-tenth of one percent shall be
2 subtracted from the graduated social cost factor rate, if the graduated
3 social cost factor rate equals or exceeds one-tenth of one percent, and
4 that rate shall be transferred to the rate established in RCW
5 50.24.014(1)(a) for the separate and identifiable account in the
6 administrative contingency fund.

7 (iii) For the purposes of this section:

8 (A) "Total social cost" means the amount calculated by subtracting
9 the array calculation factor contributions paid by all employers with
10 respect to the four consecutive calendar quarters immediately preceding
11 the computation date and paid to the employment security department by
12 the cut-off date from the total unemployment benefits paid to claimants
13 in the same four consecutive calendar quarters. To calculate the flat
14 social cost factor for rate year 2005, the commissioner shall calculate
15 the total social cost using the array calculation factor contributions
16 that would have been required to be paid by all employers in the
17 calculation period if (a) of this subsection had been in effect for the
18 relevant period.

19 (B) "Total taxable payroll" means the total amount of wages subject
20 to tax, as determined under RCW 50.24.010, for all employers in the
21 four consecutive calendar quarters immediately preceding the
22 computation date and reported to the employment security department by
23 the cut-off date.

24 (c) For employers who do not meet the definition of "qualified
25 employer" by reason of failure to pay contributions when due:

26 (i) The array calculation factor rate shall be two-tenths higher
27 than that in rate class 40, except employers who have an approved
28 agency-deferred payment contract by September 30th of the previous rate
29 year. If any employer with an approved agency-deferred payment
30 contract fails to make any one of the succeeding deferred payments or
31 fails to submit any succeeding tax report and payment in a timely
32 manner, the employer's tax rate shall immediately revert to an array
33 calculation factor rate two-tenths higher than that in rate class 40;
34 and

35 (ii) The social cost factor rate shall be the social cost factor
36 rate assigned to rate class 40 under (b)(ii) of this subsection. For
37 tax rate year 2010, one-tenth of one percent shall be subtracted from
38 the social cost factor rate, if the social cost factor rate equals or

1 exceeds one-tenth of one percent, and that rate shall be transferred to
2 the rate established in RCW 50.24.014(1)(a) for the separate and
3 identifiable account in the administrative contingency fund.

4 (d) For all other employers not qualified to be in the array:

5 (i) For rate years 2005, 2006, and 2007:

6 (A) The array calculation factor rate shall be a rate equal to the
7 average industry array calculation factor rate as determined by the
8 commissioner, plus fifteen percent of that amount; however, the rate
9 may not be less than one percent or more than the array calculation
10 factor rate in rate class 40; and

11 (B) The social cost factor rate shall be a rate equal to the
12 average industry social cost factor rate as determined by the
13 commissioner, plus fifteen percent of that amount, but not more than
14 the social cost factor rate assigned to rate class 40 under (b)(ii) of
15 this subsection.

16 (ii) Beginning with contributions assessed for rate year 2008:

17 (A) The array calculation factor rate shall be a rate equal to the
18 average industry array calculation factor rate as determined by the
19 commissioner, multiplied by the history factor, but not less than one
20 percent or more than the array calculation factor rate in rate class
21 40;

22 (B) The social cost factor rate shall be a rate equal to the
23 average industry social cost factor rate as determined by the
24 commissioner, multiplied by the history factor, but not more than the
25 social cost factor rate assigned to rate class 40 under (b)(ii) of this
26 subsection. For tax rate year 2010, one-tenth of one percent shall be
27 subtracted from the social cost factor rate, if the social cost factor
28 rate equals or exceeds one-tenth of one percent, and that rate shall be
29 transferred to the rate established in RCW 50.24.014(1)(a) for the
30 separate and identifiable account in the administrative contingency
31 fund; and

32 (C) The history factor shall be based on the total amounts of
33 benefits charged and contributions paid in the three fiscal years
34 ending prior to the computation date by employers not qualified to be
35 in the array, other than employers in (c) of this subsection, who were
36 first subject to contributions in the calendar year ending three years
37 prior to the computation date. The commissioner shall calculate the
38 history ratio by dividing the total amount of benefits charged by the

1 total amount of contributions paid in this three-year period by these
 2 employers. The division shall be carried to the second decimal place
 3 with the remaining fraction disregarded unless it amounts to five
 4 one-hundredths or more, in which case the second decimal place shall be
 5 rounded to the next higher digit. The commissioner shall determine the
 6 history factor according to the history ratio as follows:

	History		History
	Ratio		Factor
			(percent)
	At least	Less than	
11	(I)	.95	90
12	(II)	.95	100
13	(III)	1.05	115

14 (3) Assignment of employers by the commissioner to industrial
 15 classification, for purposes of this section, shall be in accordance
 16 with established classification practices found in the "Standard
 17 Industrial Classification Manual" issued by the federal office of
 18 management and budget to the third digit provided in the standard
 19 industrial classification code, or in the North American industry
 20 classification system code.

21 **Sec. 4.** RCW 50.24.014 and 2007 c 327 s 2 are each amended to read
 22 as follows:

23 (1)(a) A separate and identifiable account to provide for the
 24 financing of special programs to assist the unemployed is established
 25 in the administrative contingency fund. All money in this account
 26 shall be expended solely for the purposes of this title and for no
 27 other purposes whatsoever. Contributions to this account shall accrue
 28 and become payable by each employer, except employers as described in
 29 RCW 50.44.010 and 50.44.030 who have properly elected to make payments
 30 in lieu of contributions, taxable local government employers as
 31 described in RCW 50.44.035, and those employers who are required to
 32 make payments in lieu of contributions, at a basic rate of two one-
 33 hundredths of one percent. The amount of wages subject to tax shall be
 34 determined under RCW 50.24.010. Using the rate transferred from the

1 social cost factor rate in RCW 50.29.025(2) (b)(ii)(C), (c)(ii), and
2 (d)(ii)(B), the account may also be used for the administration and
3 provision of workforce training grants under section 5 of this act
4 until the funds from the rate transfer are expended or no later than
5 June 30, 2012. These funds shall not replace or supplant any existing
6 enrollments, programs, support services, or funding sources.

7 (b) A separate and identifiable account is established in the
8 administrative contingency fund for financing the employment security
9 department's administrative cost under RCW 50.22.150 and the costs
10 under RCW 50.22.150(10). All money in this account shall be expended
11 solely for the purposes of this title and for no other purposes
12 whatsoever. Contributions to this account shall accrue and become
13 payable by each employer, except employers as described in RCW
14 50.44.010 and 50.44.030 who have properly elected to make payments in
15 lieu of contributions, taxable local government employers as described
16 in RCW 50.44.035, those employers who are required to make payments in
17 lieu of contributions, those employers described under RCW
18 50.29.025(1)(f)(ii), and those qualified employers assigned rate class
19 20 or rate class 40, as applicable, under RCW 50.29.025, at a basic
20 rate of one one-hundredth of one percent. The amount of wages subject
21 to tax shall be determined under RCW 50.24.010. Any amount of
22 contributions payable under this subsection (1)(b) that exceeds the
23 amount that would have been collected at a rate of four one-thousandths
24 of one percent must be deposited in the account created in (a) of this
25 subsection.

26 (2)(a) Contributions under this section shall become due and be
27 paid by each employer under rules as the commissioner may prescribe,
28 and shall not be deducted, in whole or in part, from the remuneration
29 of individuals in the employ of the employer. Any deduction in
30 violation of this section is unlawful.

31 (b) In the payment of any contributions under this section, a
32 fractional part of a cent shall be disregarded unless it amounts to
33 one-half cent or more, in which case it shall be increased to one cent.

34 (3) If the commissioner determines that federal funding has been
35 increased to provide financing for the services specified in chapter
36 50.62 RCW, the commissioner shall direct that collection of
37 contributions under this section be terminated on the following January
38 1st.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 50.22 RCW
2 to read as follows:

3 (1) Subject to availability of funds, workforce training grants are
4 available to workforce development councils and eligible colleges to
5 serve individuals who are eligible for or have exhausted entitlement to
6 unemployment compensation benefits and are enrolled in a high demand
7 training program.

8 (2) The employment security department shall consult the state
9 board for community and technical colleges and the workforce training
10 and education coordinating board to identify high demand training
11 programs that are consistent with workforce training priorities and
12 based upon the comprehensive plan for workforce training developed by
13 the workforce training and education coordinating board.

14 (3) Workforce training grants can be used for the following
15 purposes for individuals eligible under subsection (1) of this section:
16 Expenses related to educational and career counseling services,
17 training plan development, and referral to appropriate training
18 programs in high demand occupations; increased capacity at community
19 and technical colleges to make training programs in high demand
20 occupations available; financial aid for eligible students enrolled at
21 an institution of higher education as defined in RCW 28B.10.016 or an
22 educational institution as defined in RCW 28C.04.410; and job
23 development and referral services.

24 (4) In consultation with the state board for community and
25 technical colleges and the workforce training and education
26 coordinating board, the employment security department shall review
27 proposals submitted jointly by workforce development councils and
28 eligible colleges and award funds through a competitive process.
29 Preference shall be given to proposals emphasizing health care workers
30 and energy efficiency workers. The employment security department
31 shall disburse funds for workforce training grants to workforce
32 development councils and eligible colleges whose projects are selected
33 for funding.

34 (5) The employment security department shall establish rules that
35 provide for the awarding of workforce training grants from the
36 administrative contingency fund defined in RCW 50.24.014(1)(a).

37 (6) After the first year of the program, if funds are not fully

1 expended, the employment security department may broaden individual
2 eligibility criteria.

3 (7) Workforce training grants cannot be used to replace or supplant
4 any existing enrollments, programs, support services, or funding
5 sources.

6 **Sec. 6.** RCW 50.20.--- and 2009 c 3 s 2 are each amended to read as
7 follows:

8 (1) This section applies beginning May 3, 2009.

9 (2)(a) For claims with an effective date before May 3, 2009, in
10 weeks of unemployment beginning on or after May 3, 2009, an
11 individual's weekly benefit amount shall be the amount established
12 under RCW 50.20.120 and subsection (3) of this section plus an
13 additional ((~~forty-five~~)) thirty-one dollars. For individuals who have
14 a balance of regular unemployment benefits available, the weekly
15 benefit amount under this subsection (2)(a) is payable for all
16 remaining weeks of regular, extended, emergency, supplemental, or
17 additional benefits on that claim. For individuals who have exhausted
18 regular benefits but have a balance of training benefits available as
19 provided in RCW 50.22.--- (section 4, chapter 3, Laws of 2009) or
20 50.22.150, the weekly benefit amount under this subsection (2)(a) is
21 payable for all remaining weeks of training benefits, but not for weeks
22 of extended, emergency, supplemental, or additional benefits on that
23 claim unless specifically authorized under federal or state law.

24 (b) For claims with an effective date on or after May 3, 2009, and
25 before January 3, 2010, an individual's weekly benefit amount shall be
26 the amount established under RCW 50.20.120 and subsection (3) of this
27 section plus an additional ((~~forty-five~~)) thirty-one dollars. The
28 weekly benefit amount under this subsection (2)(b) is payable for all
29 weeks of regular, extended, emergency, supplemental, or additional
30 benefits on that claim.

31 (3)(a) For benefit years beginning before May 3, 2009, in weeks of
32 unemployment beginning on or after May 3, 2009, the minimum amount
33 payable weekly shall be one hundred fifty-five dollars. For
34 individuals who have a balance of regular unemployment benefits
35 available, the minimum amount payable weekly under this subsection
36 (3)(a) is payable for all remaining weeks of regular, extended,
37 emergency, supplemental, or additional benefits on that claim. For

1 individuals who have exhausted regular benefits but have a balance of
2 training benefits available as provided in RCW 50.22.--- (section 4,
3 chapter 3, Laws of 2009) or 50.22.150, the minimum amount payable
4 weekly under this subsection (3)(a) is payable for all remaining weeks
5 of training benefits, but not for weeks of extended, emergency,
6 supplemental, or additional benefits on that claim unless specifically
7 authorized under federal or state law.

8 (b) For benefit years beginning on or after May 3, 2009, and before
9 January 3, 2010, the minimum amount payable weekly shall be one hundred
10 fifty-five dollars. The minimum amount payable weekly under this
11 subsection (3)(b) is payable for all weeks of regular, extended,
12 emergency, supplemental, or additional benefits on that claim.

13 (4) The weekly benefit amounts and the minimum amounts payable
14 weekly under this section shall increase the maximum benefits payable
15 to the individual under RCW 50.20.120(1) by a corresponding dollar
16 amount.

17 (5) The weekly benefit amounts under this section shall increase
18 the maximum amount payable weekly, irrespective of the provisions of
19 RCW 50.20.120(3).

20 (6) Payment of benefits to individuals whose weekly benefit amounts
21 are increased under this section shall be subject to the same terms and
22 conditions under this title that apply to the payment of benefits to
23 individuals whose benefit amounts are established under RCW 50.20.120.

24 (7) This section does not apply to claims with an effective date on
25 or after January 3, 2010.

26 NEW SECTION. **Sec. 7.** The employment security department together
27 with the state board for community and technical colleges shall report
28 to the appropriate committees of the legislature by December 1, 2012,
29 on the number of certified full-time equivalent students receiving
30 training as provided in this act and the types of training received by
31 the students. The report shall also include student demographics,
32 number of training plans developed, training completion rates,
33 employment rates, and comparisons of preprogram and postprogram wage
34 levels.

35 NEW SECTION. **Sec. 8.** If any part of this act is found to be in
36 conflict with federal requirements that are a prescribed condition to

1 the allocation of federal funds to the state, the conflicting part of
2 this act is inoperative solely to the extent of the conflict and with
3 respect to the agencies directly affected, and this finding does not
4 affect the operation of the remainder of this act in its application to
5 the agencies concerned. Rules adopted under this act must meet federal
6 requirements that are a necessary condition to the receipt of federal
7 funds by the state.

8 NEW SECTION. **Sec. 9.** If any provision of this act or its
9 application to any person or circumstance is held invalid, the
10 remainder of the act or the application of the provision to other
11 persons or circumstances is not affected.

12 NEW SECTION. **Sec. 10.** Section 6 of this act is necessary for the
13 immediate preservation of the public peace, health, or safety, or
14 support of the state government and its existing public institutions,
15 and takes effect April 5, 2009.

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