

### Unemployment Insurance Vision

First, I can't emphasize enough just how important this issue and this discussion is to Washington State. Our unemployment rate, our unemployment benefits, the incentives that are built into the system, as well as the cost and stability of the system have significant impacts on our state's economy. It's crucial that we examine any proposed changes very carefully, and I'm committed to this process.

My vision for the unemployment insurance system is fairly simple; it's the details that will obviously be more difficult. However, if we can focus ourselves on some similar broad system goals, I think that we will be a step closer to understanding each other's issues and a step closer to improving our unemployment insurance program and our state's economic development.

#### Broad System Goals:

1. Adequate and equitable tax system
2. Adequate and equitable benefits

**Both** employers and employees need to take a share of the responsibility for this.

#### Taxes:

1. *Focus on experience:* To me, an equitable tax system is primarily experience rated, but as a policy we also recognize that some industries are necessarily seasonal, and some layoffs are beyond the control of those employers. Some costs need to be socialized, but the policy should be to keep this aspect to a minimum.
2. *Reduce Costs:* We should continue with our goal of shrinking the employer UI cost in Washington. The most recent figures I've seen show Washington employers paying 297% of the national average. That is too expensive; it obviously reduces this state's competitiveness, and costs need to be reduced.
3. *Adequate Reserves:* I think that we all can agree that we must have some assurance that our trust fund contains enough in reserve to keep our system afloat in the down times.

#### Benefits:

1. *Fairness amongst claimants:* It is unfair for a claimant who works six months out of the year to receive the same benefits as the claimant who works all year.
2. *Compensation should be paid for unanticipated job loss:* Unemployment benefits should not be used to supplement a worker's income over and over again when he or she is laid off from the same seasonal job at the same time of year. People need to take some individual responsibility and plan for certain times of year when there is always a lack of work in a particular industry. People should be willing to accept work outside of their regular occupation when that occupation is seasonal.

Senator Linda Parlette  
Joint Legislative Taskforce on Unemployment Insurance Benefit Equity  
Vision Statement for taskforce meeting on July 26, 2005

2003 Revisions and promises made - In 2003, we made a commitment to seasonal employers to revisit their issues. We all understood that by removing the Marginal Labor Force Attachment provisions in the law, and requiring that these benefits be charged to the employer, that seasonal industries like construction, fishing and agriculture would have a difficult time.

Seasonal industries are significant contributors to this state's economy, and I want to make sure that we provide some help to these employers to help them compete.