unemployment insurance laws of this state for services performed subsequent to December 31, 1971 as a condition of approval of the unemployment-insurance laws of this state under section 3304(a) of the internal revenue code of 1954, as amended, will be considered an employer as to such individual and shall be subject to contributions on all wages paid subsequent to December 31, 1971, or reimbursement payments to cover benefits paid based on services performed subsequent to December 31, 1971, depending on the law applicable.))

<u>NEW SECTION.</u> Sec. 2. If any part of this act is found to be in conflict with federal requirements which are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules under this act shall meet federal requirements which are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

<u>NEW SECTION.</u> Sec. 3. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate February 7, 1985. Passed the House April 5, 1985. Approved by the Governor April 15, 1985. Filed in Office of Secretary of State April 15, 1985.

CHAPTER 42

[Senate Bill No. 3409]

UNEMPLOYMENT COMPENSATION—EXPERIENCE RATING ACCOUNTS

AN ACT Relating to experience rating accounts and noncharging; amending RCW 50-.29.020; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 11, chapter 2, Laws of 1970 ex. sess. as last amended by section 7, chapter 205, Laws of 1984 and RCW 50.29.020 are each amended to read as follows:

(1) An experience rating account shall be established and maintained for each employer, except ((those employers whose employees are covered under chapter 50.44 RCW)) employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, based on existing records of the employment security department. Benefits paid to any eligible individuals shall be charged to the experience rating accounts of each of his employers during his base year in the same ratio that the wages paid by each employer to the individual during the base year bear to the wages paid by all employers to that individual during that base year.

(2) The legislature finds that certain benefit payments, in whole or in part, should not be charged to the experience rating accounts of employers ((whose employees are not covered under chapter 50.44 RCW)) except those employers described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, as follows:

(a) Benefits paid to any individuals later determined to be ineligible shall not be charged to the experience rating account of any contribution paying employer.

(b) Benefits paid to an individual under the provisions of RCW 50.12-.050 shall not be charged to the account of any contribution paying employer if the wage credits earned in this state by the individual during his base year are less than the minimum amount necessary to qualify the individual for unemployment benefits.

(c) Benefits paid to an individual filing under the provisions of chapter 50.06 RCW shall not be charged to the experience rating account of any contribution paying employer.

(d) Benefits paid which represent the state's share of benefits payable under chapter 50.22 RCW shall not be charged to the experience rating account of any contribution paying employer.

(e) ((Benefits paid to a claimant who requalifies for benefits under RCW 50.20.050 or 50.20.060 shall not be charged to the experience rating account of the contribution paying employer with whom the disqualifying separation took place.))

In the case of individuals who requalify for benefits under RCW 50-.20.050 or 50.20.060, benefits based on wage credits earned prior to the disqualifying separation shall not be charged to the experience rating account of the contribution paying employer from whom that separation took place.

(f) Benefits paid to an individual as the result of a determination by the commissioner that no stoppage of work exists, pursuant to RCW 50.20-.090, shall not be charged to the experience rating account of any contribution paying employer.

(g) In the case of individuals identified under RCW 50.20.015, benefits paid with respect to a calendar quarter, which exceed the total amount of wages earned in the state of Washington in the higher of two corresponding calendar quarters included within the individual's determination period, as defined in RCW 50.20.015, shall not be charged to the experience rating account of any contribution paying employer.

(h) Beginning July 1, 1985, a contribution-paying base year employer, not otherwise eligible for relief of charges for benefits under this section, may receive such relief if:

(i) The benefit charges result from payment to an individual who last left the employ of such employer voluntarily for reasons not attributable to the employer, or was discharged for misconduct connected with his or her work; and

(ii) The employer requests relief of charges in writing within thirty days following mailing to the last known address of the notification of the initial determination of such a claim, stating the date and reason for the last leaving; and

(iii) Upon investigation of the separation, the commissioner rules that the relief should be granted.

<u>NEW SECTION.</u> Sec. 2. If any part of this act is found to be in conflict with federal requirements which are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules under this act shall meet federal requirements which are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

<u>NEW SECTION.</u> Sec. 3. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate February 8, 1985. Passed the House April 5, 1985. Approved by the Governor April 15, 1985. Filed in Office of Secretary of State April 15, 1985.