

board shall enter into a surety bond executed by a surety company authorized to do business in this state, payable to the state of Washington, to be approved by the governor in the penal sum of fifty thousand dollars conditioned upon the faithful performance of his duties, and shall take and subscribe to the oath of office prescribed for elective state officers, which oath and bond shall be filed with the secretary of state. The premium for said bond shall be paid by the board.

Passed the House March 11, 1986.

Passed the Senate March 10, 1986.

Approved by the Governor March 21, 1986.

Filed in Office of Secretary of State March 21, 1986.

CHAPTER 106

[Engrossed Substitute House Bill No. 1802]

MARGINAL LABOR FORCE ATTACHMENT

AN ACT Relating to marginal labor force attachment; amending RCW 50.20.015; creating new sections; repealing RCW 50.20.016 and 50.20.017; and declaring an emergency.

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

Sec. 1. Section 9, chapter 205, Laws of 1984 as amended by section 3, chapter 285, Laws of 1985 and RCW 50.20.015 are each amended to read as follows:

~~((+))~~ If the product of an otherwise eligible individual's weekly benefit amount multiplied by thirteen is greater than the total amount of wages earned in covered employment in the higher of two corresponding calendar quarters included within the individual's determination period, that individual shall be considered to have marginal labor force attachment. ~~((However, the individual shall not be considered to have marginal labor force attachment if he or she had no wages or reduced wages in either of such two corresponding calendar quarters because of illness or disability sufficient to have resulted in a finding of marginal attachment, or because such individual's first wages in covered employment were earned after the fifth completed calendar quarter of the individual's determination period:))~~ For the purposes of this subsection and RCW 50.29.020, "determination period" means the first eight of the last nine completed calendar quarters immediately preceding the individual's current benefit year.

~~((2))~~ With respect to new claims for benefits filed on or after July 1, 1985, in addition to any other requirements established under this chapter which are not inconsistent with (a) through (f) of this subsection, if a determination is made under subsection (1) of this section that an individual has marginal labor force attachment, the following provisions shall apply to benefits payable to such individuals under this chapter:

~~(a) Payment of benefits under this chapter shall not be made to any individual for any week of unemployment:~~

~~(i) During which he or she fails to accept any offer of suitable work, as defined in subsection (2)(c) of this section, or fails to apply for any suitable work to which he or she was referred by the department; or~~

~~(ii) During which he or she fails to actively engage in seeking work.~~

~~(b) If any individual is ineligible for benefits for any week by reason of a failure described in subsection (2)(a)(i) of this section, the individual shall be ineligible to receive benefits for any week which begins during a period which:~~

~~(i) Begins with the week following the week in which such failure occurs; and~~

~~(ii) Does not end until such individual has obtained bona fide work and earned wages of not less than his or her suspended weekly benefit amount in each of five calendar weeks.~~

~~(c) For purposes of this section, the term "suitable work" means, with respect to any individual, any work which is within such individual's capabilities and which does not involve conditions described in RCW 50.20.110.~~

~~(d) Benefits shall not be denied under subsection (2)(a)(i) of this section to any individual for any week by reason of a failure to accept an offer of, or apply for, suitable work if:~~

~~(i) The gross average weekly remuneration payable to such individual for the position does not exceed the sum of:~~

~~(A) The individual's weekly benefit amount, as determined under RCW 50.20.120, for his or her benefit year; plus~~

~~(B) The amount (if any) of supplemental unemployment compensation benefits (as defined in section 501(c)(17)(D) of the Internal Revenue Code of 1954, 26 U.S.C. Sec. 501(c)(17)(D)), payable to such individual for such week;~~

~~(ii) The position was not offered to such individual in writing and was not listed with the department;~~

~~(iii) Such failure would not result in a denial of benefits under the provisions of RCW 50.20.080 and 50.20.100 to the extent such provisions are not inconsistent with the provisions of subsections (2)(c) and (2)(e) of this section; or~~

~~(iv) The position pays wages less than the higher of:~~

~~(A) The minimum wage provided by section (6)(a)(1) of the Fair Labor Standards Act of 1938, without regard to any exemption; or~~

~~(B) Any applicable state or local minimum wage.~~

~~(e) For purposes of this section, an individual shall be treated as actively engaged in seeking work during any week if:~~

~~(i) The individual has engaged in a systematic and sustained effort to obtain work during such week, which has included at least five employer contacts: PROVIDED, That if the department determines that economic~~

~~conditions within a designated labor market area make it unlikely that individuals will be able to fulfill the requirement of five employer contacts per week, then the department shall designate an appropriate number of required contacts for individuals within such labor market area. PROVIDED FURTHER, That if the department makes such a determination, then it shall report the determination, the newly established number of employer contacts required within the designated labor market area, and supporting documentation for these actions, to the governor and the respective chairpersons of the house committee on labor and the senate committee on commerce and labor;~~

~~(ii) The individual provides tangible evidence to the department that he or she has engaged in such an effort during such week. Such evidence shall include information supplied by the individual on forms developed by the department which also provide for employer signature to verify work search contacts and comments regarding the individual's preparedness for immediate work.~~

~~(f) The department shall refer applicants to any suitable work to which subsections (2)(d)(i) through (2)(d)(iv) of this section would not apply. To the extent possible, the department shall provide each applicant with five referrals each week. A referral shall serve as one of the employer contacts required in subsection (2)(c)(i) of this section.~~

~~(3) This section shall not apply to an individual who earned wages in covered employment in at least eighty hours in each calendar quarter of the individual's base period, nor shall it apply to an individual who during the first half of the determination period performed work and earned wages for services not considered to be covered employment in Washington.))~~

NEW SECTION. Sec. 2. A joint select committee on unemployment insurance and compensation is established to study the impact on unemployment compensation claimants of long-term structural unemployment, seasonal and cyclical unemployment and chronic and repetitive unemployment.

The committee shall consist of twenty-two voting members appointed as follows:

(1) Two members from each caucus of the senate, selected by the president of the senate; at least one member of each caucus shall be a member of the senate commerce and labor committee;

(2) Two members from each caucus of the house of representatives, selected by the speaker of the house of representatives; at least one member of each caucus shall be a member of the house commerce and labor committee;

(3) Fourteen members appointed jointly by the president of the senate and the speaker of the house of representatives representing the following:

(a) The building, utility, and heavy-industrial contractors in the construction industry;

- (b) Construction industry organized labor;
- (c) A general business association in Washington state;
- (d) An organization broadly representing organized labor;
- (e) The retail trade industry;
- (f) Retail trade industry organized labor;
- (g) The timber industry, whose representative shall have expertise in management of employee benefits;
- (h) Timber industry organized labor;
- (i) The wholesale distribution industry including loading and trucking;
- (j) The employees of the wholesale distribution industry including loading and trucking;
- (k) The food processing-agricultural industry;
- (l) Employees in the food processing-agricultural industry;
- (m) The agricultural industry; and
- (n) The employees of the agricultural industry.

One nonvoting member shall be selected by the appointed members to serve as chair. The chair shall not represent business, employers or organized labor, nor be a member of the legislature or a state agency employee.

Members of the joint select committee shall be entitled to the allowances specified in RCW 43.03.060 while on official business of the committee. Members of the senate and house of representatives shall be entitled to the allowance specified by RCW 44.04.120 while on committee business.

NEW SECTION. Sec. 3. The purposes of the joint select committee on unemployment insurance and compensation are:

(1) To study and analyze the causes and factors related to claimants who have become long-term structurally unemployed, and to research all possible alternatives to return the long-term unemployed to the work force or to a meaningful, productive endeavor;

(2) To study and analyze the industries and work force of those industries that can be termed seasonal and/or cyclical in nature, to research factors related to such industries and work force, and to seek alternatives to minimize seasonal or cyclical employment on both seasonal and cyclical employers and workers;

(3) To study and analyze causes and factors related to the chronic unemployed, and to analyze and research alternatives to lessen and minimize chronic unemployment; and

(4) To analyze and review all information, data and reports related to the purposes of this section and to submit findings and recommendations to the governor and legislature by the commencement of the 1987 regular session of the legislature.

NEW SECTION. Sec. 4. The employment security department shall provide any information and assistance that may be reasonably requested by the committee chair to enable the committee to carry out the purposes of

sections 2 and 3 of this act. The department shall prepare for the committee's review at its first meeting a demonstration project for identifying seasonal employees and referring these employees for employment. Results of the demonstration project shall be reported to the committee for its use in carrying out the committee's purposes. The committee will use legislative staff and facilities, but may hire additional staff with technical expertise if such expertise is deemed necessary to carry out the committee's purposes. All expenses of the committee shall be paid jointly by the senate and house of representatives.

NEW SECTION. Sec. 5. The joint select committee on unemployment compensation and insurance shall cease to exist on May 1, 1987, unless the legislature determines it necessary to extend the committee to continue required analysis and legislative oversight for proper implementation.

NEW SECTION. Sec. 6. The following acts or parts of acts are each repealed:

- (1) Section 1, chapter 285, Laws of 1985 and RCW 50.20.016; and
- (2) Section 2, chapter 285, Laws of 1985 and RCW 50.20.017.

NEW SECTION. Sec. 7. 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.

NEW SECTION. Sec. 8. 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.

NEW SECTION. Sec. 9. 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 House February 15, 1986.

Passed the Senate March 5, 1986.

Approved by the Governor March 21, 1986.

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