
SUBSTITUTE SENATE BILL 6234

State of Washington

66th Legislature

2020 Regular Session

By Senate Labor & Commerce (originally sponsored by Senators Kuderer, Nguyen, Lovelett, Hasegawa, Das, McCoy, and Wilson, C.)

1 AN ACT Relating to the use of third parties by employers to
2 dispute unemployment claims; amending RCW 50.32.020; adding a new
3 section to chapter 50.44 RCW; creating a new section; and providing
4 an effective date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 50.44
7 RCW to read as follows:

8 (1) This section only applies to the following employers: This
9 state and institutions of higher education as defined in RCW
10 28B.10.016.

11 (2) Employers covered by this section may not contract with a
12 private entity to:

13 (a) Respond on behalf of the employer to written requests by the
14 department for information relating to an individual's claim or
15 claims;

16 (b) File appeals and petitions for review on behalf of the
17 employer regarding an individual's right to benefits; or

18 (c) Represent the employer before the appeal tribunal and the
19 commissioner in appeals involving an individual's right to benefits.

20 (3) Nothing in this section prohibits an employer from
21 contracting with a private entity, including a third-party payer or

1 professional employer organization, for any services other than the
2 services prohibited by subsection (2) of this section.

3 **Sec. 2.** RCW 50.32.020 and 1987 c 61 s 1 are each amended to read
4 as follows:

5 (1) The applicant or claimant, his or her most recent employing
6 unit or any interested party which the commissioner by regulation
7 prescribes, may file an appeal from any determination or
8 redetermination with the appeal tribunal within thirty days after the
9 date of notification or mailing, whichever is earlier, of such
10 determination or redetermination to his or her last known address:
11 PROVIDED, That in the event an appeal with respect to any
12 determination is pending as of the date when a redetermination
13 thereof is issued, such appeal, unless withdrawn, shall be treated as
14 an appeal from such redetermination. Any appeal from a determination
15 of denial of benefits which is effective for an indefinite period
16 shall be deemed to be an appeal as to all weeks subsequent to the
17 effective date of the denial for which benefits have already been
18 denied. If no appeal is taken from any determination, or
19 redetermination, within the time allowed by the provisions of this
20 section for appeal therefrom, said determination, or redetermination,
21 as the case may be, shall be conclusively deemed to be correct except
22 as hereinbefore provided in respect to reconsideration by the
23 commissioner of any determination.

24 (2)(a) If an employer or employer's agent fails to respond or
25 inadequately responds to a written request of the department for
26 information relating to an individual's claim or claims, and a third-
27 party payer files an appeal with the appeal tribunal on behalf of the
28 employer, and the appeal concerns the same legal or factual issue of
29 concern in the request for information, the employer shall pay the
30 department a one thousand dollar penalty. If the appeal does not
31 result in a final decision denying benefits to the individual, then
32 the employer shall pay the department an additional one thousand
33 dollar penalty.

34 (b) For the purposes of this subsection, "inadequately" means
35 failing to provide accurate information of sufficient quantity and
36 quality that would allow a reasonable person to determine eligibility
37 for benefits.

1 NEW SECTION. **Sec. 3.** If any part of this act is found to be in
2 conflict with federal requirements that are a prescribed condition to
3 the allocation of federal funds to the state or the eligibility of
4 employers in this state for federal unemployment tax credits, the
5 conflicting part of this act is inoperative solely to the extent of
6 the conflict, and the finding or determination does not affect the
7 operation of the remainder of this act. Rules adopted under this act
8 must meet federal requirements that are a necessary condition to the
9 receipt of federal funds by the state or the granting of federal
10 unemployment tax credits to employers in this state.

11 NEW SECTION. **Sec. 4.** If any provision of this act or its
12 application to any person or circumstance is held invalid, the
13 remainder of the act or the application of the provision to other
14 persons or circumstances is not affected.

15 NEW SECTION. **Sec. 5.** This act takes effect March 1, 2021.

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