

URGENT! PLEASE CONTACT YOUR LEGISLATORS!
Employment Security: UI changes will increase your taxes!

Proposed changes to the state’s unemployment insurance system
are guaranteed to increase your UI taxes next year.

That’s the finding of the state’s Employment Security Department, in response to a series of questions AWB asked about the impact of amendments to **Substitute Senate Bill 5963**, the UI bill. This bill cleared the Senate but was amended in the House Commerce and Labor Committee. It was approved by the House last week and awaits review by the Senate.

These changes add costly benefit increases that will outstrip the decreases, causing higher UI taxes. The amendments include increasing the benefit “multiplier” and providing discretion on voluntary quits. Here’s how the ESD sees this playing out:

Employee Example	Average Annual Wage	Average of Highest 2 Quarters of Wages	Weekly Benefit Amount using 3.85% Multiplier	Weekly Benefit Amount using 4% Multiplier	Difference Per Person Per Week
Example 1	\$ 10,000	\$ 2,500	\$ 129.00	\$ 129.00	\$ -
Example 2	\$ 20,000	\$ 5,000	\$ 192.50	\$ 200.00	\$ 7.50
Example 3	\$ 30,000	\$ 7,500	\$ 288.75	\$ 300.00	\$ 11.25
Example 4	\$ 40,000	\$ 10,000	\$ 385.00	\$ 400.00	\$ 15.00
Example 5	\$ 55,000	\$ 13,750	\$ 529.38	\$ 541.00	\$ 11.63
Example 6	\$ 65,000	\$ 16,250	\$ 541.00	\$ 541.00	\$ -

What does this mean for businesses?

- Employers, particularly small businesses, will bear the brunt of the proposed increases.
 - More than half (56%) of our state’s private sector employment is small businesses.
- This bill is not a tax BREAK —it is a TAX INCREASE.
 - The ESD projects that UI tax collection “will increase significantly in the next few years” with the amendments added in the House.

CALL YOUR STATE SENATOR AND THE GOVERNOR TODAY!

Tell your senator and the governor to insist on the Senate position, refuse the House amendments and pass SSB 5963 as it came from the Senate!

Call Olympia toll-free at 1.800.562.6000!