

Multiple Agency Fiscal Note Summary

Bill Number: 5041 E S SB AMH REEV LEON 190	Title: Unemp ins/strikes & lockouts
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Public Employment Relations Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Employment Security Department	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Administrative Hearings	.0	0	0	0	.0	0	0	0	.0	0	0	0
Public Employment Relations Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Employment Security Department	3.2	0	0	1,306,970	2.0	0	0	510,926	2.0	0	0	510,926
SWF Statewide Fiscal Note - OFM	Fiscal note not available											
Total \$	3.2	0	0	1,306,970	2.0	0	0	510,926	2.0	0	0	510,926

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Administrative Hearings	.0	0	0	.0	0	0	.0	0	0
Public Employment Relations Commission	.0	0	0	.0	0	0	.0	0	0
Employment Security Department	.0	0	0	.0	0	0	.0	0	0
SWF Statewide Fiscal Note - OFM	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

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Individual State Agency Fiscal Note

Revised

Bill Number: 5041 E S SB AMI REEV LEON 190	Title: Unemp ins/strikes & lockouts	Agency: 110-Office of Administrative Hearings
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Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/14/2025
Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 04/17/2025
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 04/17/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 04/17/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This revision does not include any changes from the original submission.

No fiscal impact. This legislation will not measurably increase the appeal workload for the Office of Administrative Hearings (OAH). Any new work is assumed to be nominal and will be provided with existing resources.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

NA

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

NA

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5041 E S SB AMI REEV LEON 190	Title: Unemp ins/strikes & lockouts	Agency: 275-Public Employment Relations Commission
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/14/2025
Agency Preparation: Dario de la Rosa	Phone: 360-570-7328	Date: 04/17/2025
Agency Approval: Dario de la Rosa	Phone: 360-570-7328	Date: 04/17/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 04/18/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The Public Employment Relations Commission (PERC) is a class 4 commission charged with preventing or minimizing interruptions growing out of public sector labor disputes and to assist public employers and employees to settle labor disputes through mediation and fact-finding. Historically, chapter 49.08 RCW allows PERC to assist private sector employers and employees with labor disputes should those entities request such assistance and PERC may charge up to five dollars per day for services. In most instances, private sector employer and employees utilize the services of the Federal Mediation and Conciliation Service (FMCS) to resolve private sector collective bargaining disputes.

Engrossed Substitute Senate Bill 5041 adds new sections to chapter 49.08 RCW that permits private section employers and labor organizations to request PERC's assistance to resolve collective bargaining disputes when to publicly-supported dispute resolution services such as the FMCS or other applicable federal agency is impracticable or where those services are unavailable due to federal staffing or funding reductions. PERC may charge private sector employers and labor organizations a fee for covering the costs of services provided under this chapter. Fees collected under ESSB 5041 must be deposited into the Private Sector Labor Dispute Resolution account and PERC's Executive Director may authorize expenditures from the account solely for the administration, staffing and other related expenses of private sector labor dispute resolution services.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

PERC is unable to estimate the cash receipts created by the applicable provisions of ESSB 5041 at this time. The provisions of ESSB 5041 that allow PERC to charge private sector employers and labor organizations a fee for covering the costs of services is permissive. Factors that determine whether PERC's Executive Director will charge private sector employers and labor organizations a fee for service include:

- The frequency of private sector requests.
- The complexity of the private sector dispute.
- The caseload of public sector disputes and the availability of PERC's existing staff to hear private sector labor relations disputes.
- The complexity of public sector disputes.

A PERC Labor Relations Adjudicator Mediator 2 (Range 75) typically processes approximately 75 cases per year. In the event PERC's Executive Director determines that private sector employers and labor organizations should be charged a fee for services to due to caseloads created by the provisions of ESSB 5041, PERC anticipates at one or more employees in the Labor Relations Adjudicator Mediator 2 job class will be needed.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

PERC does not anticipate any fiscal impact associated with ESSB 5041 because the provisions of ESSB 5041 permit PERC to charge private sector employers and labor organizations a fee for covering the costs of services for private sector employers and labor organizations. In the event PERC's Executive Director determine that a fee for services is not required to provide services to private sector employers and labor organizations, PERC anticipates that it absorb duties associated with private sector labor relations disputes without additional funding.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5041 E S SB AMI REEV LEON 190	Title: Unemp ins/strikes & lockouts	Agency: 540-Employment Security Department
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.
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Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	4.4	2.0	3.2	2.0	2.0
Account					
Employment Service Administrative Account-State 134-1	1,051,507	255,463	1,306,970	510,926	510,926
Total \$	1,051,507	255,463	1,306,970	510,926	510,926

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/14/2025
Agency Preparation: Montse Walker My	Phone: 360 890 3500	Date: 04/17/2025
Agency Approval: Sophal Espiritu	Phone: (360) 902-9254	Date: 04/17/2025
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 04/17/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This bill would allow workers during a strike or lockout to be eligible for unemployment benefits. Striking workers become eligible after at least one full week without benefits (effective second Sunday after strike starts) and must meet the waiting week requirement; striking workers may receive weekly benefits for no more than 12 calendar weeks. Employment Security Department (ESD) is to issue an overpayment assessment if a claimant receives retroactive wages from the strike or if the strike is prohibited by federal or state law. Benefits paid, because of the strike, would apply to the employers' experience rating. ESD to report annually to the Legislature on impacts of implementing the bill. Majority of the legislation expires December 31, 2035.

Changes due to amendment 190: The Employment Security Department (ESD) must inform separating employers about mediation services from the Public Employment Relations Commission (PERC) when benefits are issued due to a labor strike. PERC may charge fees for private sector labor dispute resolution in certain circumstances; fees to be deposited into non appropriated account and can be used by PERC Executive Director for administration, staffing and related expenses for private sector mediation activities. Removes obsolete language and PERC changes take effect 90 days Sine Die.

The ESD notification requirement to employers will be absorbed within resources.

Section 1

RCW 50.20.090 (1)(b removed): Currently, a person who is locked out, due to a labor dispute, is ineligible for benefits under certain circumstances. The bill would allow a person experiencing a lock out to be eligible for benefits.

RCW 50.20.090 (2): Removes lockout as a reason a claimant can be eligible for benefits under certain circumstances.

Result of 1(b) and (2) edits: 'lockout' alone is no longer a disqualifying factor for UI benefits.

RCW 50.20.090 (3): Currently, a person who is on strike is ineligible for benefits. The bill would allow a striking worker to be eligible for benefits after serving at least a full week without benefits before the waiting week provided the strike is not prohibited by federal or state law. Striking worker may receive weekly benefits for no more than 12 calendar weeks, subject to other limitations provided in Title 50 RCW – Unemployment Compensation. There is also a requirement that any benefits paid, if a strike is found to be prohibited by state or federal law, are to be liable for repayment under RCW 50.20.190. (Eligibility for workers on strike begin the second Sunday following the strike (denied), plus the waiting week (allowed)). AMD 190 added: ESD must inform separating employers about mediation services from the Public Employment Relations Commission (PERC) when benefits are issued due to a labor strike.

Section 2

RCW 50.20.160 (3): Removes striking workers from the two-year timeframe in which a determination can be reconsidered.

Section 3

RCW 50.29.021 (1)(c)(iv): Requires that unemployment insurance benefits paid to striking workers are charged only to the experience rating of the separating employer.

Section 4 - New section

Requires ESD to issue an overpayment assessment to recover unemployment insurance benefits for any week a striking worker receives retroactive wages from their employer. Section expires December 31, 2035.

Section 5 - New section

Adds a severability clause.

Section 6 – New section

Creates a reporting requirement to Legislature starting December 2025 and annually thereafter. Report must include the following at a minimum:

- Total number of strikes that year within Washington and industry sectors;
- Number of employees and number of unemployment claims paid;
- Amount of unemployment benefits paid;
- Impacts to employers, any increase in social cost favor;
- Benefits paid charged to reimbursable employers, and
- The sum totals of the information required above for each year in the 10 years prior to the effective date as well as the sum of those 10 years.

Section 7 – New section added to chapter 49.08 RCW

PERC may charge fees for private sector labor dispute resolution in certain circumstances; fees to be deposited into non appropriated account created in Section 8.

Section 8 – New section added to chapter 49.08 RCW

Creates a private sector labor dispute resolution account for fees collected in Section 7 which can be used by PERC Executive Director for administration, staffing and related expenses for private sector mediation activities

Section 9 – New Section – Repeals RCW 49.08.060 and 1903 C 58 s 6

Section 10 Effective date

Section 1-6 take effect January 1, 2026

Section 7-9 take effect 90 days Sine Die

Section 11 – Expiration date

Sections 1-3 expire December 31, 2035.

High Level Implementation Assumptions:

This legislation does not reduce a claimant's maximum benefit amount but rather imposes a potential disqualification if the strike lasts longer than the prescribed time.

The following assumptions surrounding the limitation of weekly claims for striking workers to 12 weeks were made for the purposes of creating a fiscal note; however, specifics would be finalized through the rulemaking process:

- The agency would clarify that UI benefit weeks received while on a strike are part of an individual's allowed 26 weeks within a year. It would not change the total weeks allowed.
- The agency would define 'striking event' to clarify that if a strike restarts it would likely be considered the same strike and not start a new 12-week timeframe. As well as defining what qualifies as a calendar week.

• Federal Conformity:

- o U.S. Supreme Court has ruled that federal law does not preempt states from setting their own UI qualification rules regarding labor disputes.
- o Workers need to be able/available (the work for the strike employer would not be considered suitable).
- o Workers would not be required to do work search activities as they are not separated from the employer.
- o Unions are considered interested parties and will need to be included in fact finding process.

o For more information, please see USDOL ETA Handbook Guide Sheet 11.

- Lockout becomes allowable factor for the purposes of intake, adjudication, and charging (note: lockout is not mentioned in Section 3 regarding the benefit charging requirements.)
- All employers (including reimbursable) would be charged.
 - o If strike deemed illegal, reimbursable employers would not get money back unless claimant pays the money back.
- Some claimants may have already met their waiting week requirements earlier in the claim thus begin getting benefits upon the second Sunday.
- Weekly Benefit Amount (WBA) does not change based on chargeability of claim; WBA is based on entirety of base year of claimant's work and may or may not include striking employer (only school employees and professional athletes WBA is changed based on removing those wages from their usable base year.)
- When an employer reaches the maximum rate class because of the number of employees claiming UI benefits then the costs are socialized. Per Employment Security's analysis, however, this scenario is unlikely to occur due to a strike.
- If a strike is deemed illegal, it is presumed the employer would notify the department; and given legislation removes timeline for redetermination of strikes this could happen at any time.
- Increase in appeals on the employer/tax side if employers do not agree with the charging; we are currently estimating for labor dispute claims 9% in appeals to OAH which is slightly higher than current UI population (6%) and a 12% increase in redetermination requests if claimant applies the first week they are not eligible then asks for a redetermination starting the week they become eligible.
- A large-scale strike would impact the claims center workload.
- USDOL stated unions are interested parties in every labor dispute so unions will need to be added as an interested party to UTAB to get letters and fact findings, they do not have access to eServices so need physical letters, increasing postage costs (note: employers register for eServices via EAMS, there is not a way for a union to have eServices access- so all paper mail for them).

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipt is indeterminate. The impact on an individual employer's tax rate varies and the change will depend on the size of the event, existing rate class, and the amount of benefits charged to the employer. For example, if \$12.5 million was paid out in benefits in 2026, then the associated revenue is expected to be recouped in the coming four years for the majority of employers through experience tax revenue.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Fund solvency for account 134 should be considered. See attached titled "ESSB 5041 Expenditure Impact Narrative".

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
134-1	Employment Service Administrative Account	State	1,051,507	255,463	1,306,970	510,926	510,926
Total \$			1,051,507	255,463	1,306,970	510,926	510,926

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	4.4	2.0	3.2	2.0	2.0
A-Salaries and Wages	357,750	134,739	492,489	269,478	269,478
B-Employee Benefits	143,100	53,896	196,996	107,792	107,792
C-Professional Service Contracts	302,400		302,400		
E-Goods and Other Services	157,551	32,989	190,540	65,978	65,978
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	90,706	33,839	124,545	67,678	67,678
9-					
Total \$	1,051,507	255,463	1,306,970	510,926	510,926

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Actuarial Analyst 2	69,396	0.7	0.4	0.5	0.4	0.4
Communications Consultant 4	69,396	0.1		0.1		
ES Benefits Specialist 1	54,204	0.1	0.1	0.1	0.1	0.1
ES Benefits Specialist 2	59,844	0.7	1.3	1.0	1.3	1.3
IT Business Analyst - Journey	92,416	0.3		0.2		
IT Policy & Planning - Senior/Specialist	106,976	0.2		0.1		
IT Project Management - Senior/Specialist	106,976	0.2		0.1		
Management Analyst 3	66,012	0.7		0.3		
Management Analyst 5	84,516	1.1	0.2	0.7	0.2	0.2
Technical Training Consultant	72,924	0.1		0.1		
WMS Band 2	105,072	0.2		0.1		
Total FTEs		4.4	2.0	3.2	2.0	2.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sec. 1

WAC 192-180-005, 192-180-010 may need to change to reflect that workers on strike are attached to an employer and do not need to do work search.

Sec. 1

WAC 192-100-060 may need to be modified to update definition of labor dispute.

Sec. 1

A new WAC may be needed to outline how a strike can be purged as well as how many times a person is eligible, under a strike, to claim benefits in a calendar year.

Sec. 1

A new WAC may be needed to address the extra week of disqualification.

Sec. 3

WAC 192-320-075 will need to be updated to reflect benefit charging.

Overview of Trust Fund Impacts:

UI Tax Background

UI Tax rates related to claim benefits includes an Experience Tax, Social Cost Tax, and Solvency Tax. The experience tax is based on the claim experience of individual employers over the past four years, the social cost tax is based on the Social Cost Factor across all employers and the Experience Rate Class of individual employers, and the solvency tax is assessed when the Trust Fund solvency level falls under seven-months of benefits. Under the bill, benefits paid to striking workers are charged to individual employers' experience tax.

Impact to Experience Tax Rate

An employer's experience rate tax is calculated based on the amount of UI benefits paid to employees over 4 years divided by the employers' total taxable wages over the same four years. The impact on an individual employer's tax rate varies and the change will depend on the size of the event, existing rate class, and the amount of benefits charged to the employer. The general rule is for every one rate class jump, the employer's tax rate will increase by about 0.12% - or \$12 per \$1 million taxable wage.

Impact to Trust Fund Solvency

UI benefits paid to striking workers would be charged to the employer and recovered over a 4-year period via the experience tax. It is highly unlikely that a strike would occur that would have such an impact on an employer that the cost of benefits would be socialized.

Claim Benefit Calculations

Claim benefits are calculated using the average of estimates of New Jersey's claim history over two years after allowing benefits to claimants involved in a labor dispute (812) and the number of annual striking workers in the most recent two years of Washington strike data (4100), or 2,456 striking worker claims per year.

Fiscal Year	(1) Submitted claim count	(2) Approved Claim count = (1) x (3)	(3) Approval Rate	(5) Claim duration	(6) Weekly benefit	(7) Wage inflation	(8) Claim Benefit Total = (2) x (5) x (6) x (7)
2026	1228	896	73%	4	757	1.03	\$ 2,794,481
2027	2456	1792	73%	4	780	1.03	\$ 5,761,985
2028	2456	1792	73%	4	803	1.03	\$ 5,931,889
2029	2456	1792	73%	4	827	1.03	\$ 6,109,181
2030	2456	1792	73%	4	852	1.03	\$ 6,293,860
2031	2456	1792	73%	4	878	1.03	\$ 6,485,926

Information Technology – The Unemployment Tax and Benefits (UTAB) system will be updated. Currently, the system disqualifies a person when they provide that they are on strike / lockout on their weekly claim. This work will include updating the fact-finding flow, eServices update, updating labor dispute case to deny for the period prior to the second Sunday following the first date of the strike or when strike is terminated and allow the rest of the weeks, updating letters, adding unions as an interested party and work related to the benefit charging component. Changes to the UTAB system are expected to require approximately 8 months to complete. Estimates are based on similar changes made to other cases for past legislative efforts. Added changes due to ESSB include logic to add start and stop dates to a strike; logic to account for 12-week limit and to build in sunseting.

Staffing estimates are one-time (July 2025 – December 2025) and include:

- 480 hours or 0.32 FTE - IT Business Analyst - Journey to gather requirements and facilitate/lead the testing effort
- 960 hours or 0.65 FTE - MA3 for completing the assigned testing plan and documenting any bugs/issues.
- Contract Developer for consulting with the Business Analyst and project team and developing a technical solution that meets the business needs.
 - 1,440 hours x \$210/hr.

Product, Planning, and Performance - The bill will require changes and updates to multiple points in the UI Benefit customer journey. Starting at the initial application and progressing through to the end of the claim. The PPP division provides project and product management, develops customer journeys, designs screen content and language for letters, develops processes and reports, and assesses implementation.

Staffing estimates are one-time (July 2025 – December 2025) and include:

- 360 hours or 0.24 FTE – IT Policy and Planning Senior/Specialist (Product Manager) to work with internal and external stakeholders and customers to understand needs and requirements and creates the product plan required to implement the legislation. They document and prioritize requirements and project scope in the product backlog and portfolio so that the cross functional teams working to implement it are prepared for the work. Product Manager is also responsible for guiding the development of letters, notifications and resources for employers to understand and comply with the new legislation.
- 360 hours or 0.24 FTE – Management Analyst 5 to work with the product manager and the technical teams to design and document the technical solutions that meet business needs by facilitating definition of business requirements, identifying and recommending business processes, identifying required system application features and functionality, and maintaining system documentation to support development and testing of the division systems.
- 360 hours or 0.24 FTE – IT Project Manager – S/S who oversees the planning, execution, and completion of the project, ensuring it stays on schedule, within budget, and meets the specified goals. They play a crucial role in overseeing all aspects of the project and allocating and coordinating resources.
- 246 hours or 0.17 FTE - WMS2 (Change Manager) contributes and works with and through others (sponsors, stakeholders, staff, and impacted individuals) to achieve project/initiative/organizational results and outcomes by engaging impacted individuals and inspiring their adoption and use of a new way of working. This includes an applied structure, formulated strategies and intent to change. Enabling and equipping other change roles that are vital to change management.

Communications – This bill would allow a new class of individuals to be eligible for UI. As this is a change to the current state of the law a communication plan would be needed to inform claimants and employers of the change. In addition, the current materials on the website dealing with “striking /locked out workers” would need to be modified to reflect the new bill language. We will also need to communicate with WorkSource and other related partners with details of the changes.

Staffing estimates are one-time (July 2025 – December 2025) and include:

- 160 hours or 0.11 FTE - Communications Consultant 4 to develop and execute the communications plan for implementation. Revise multiple pages and web documents across esd.wa.gov and eServices. Draft alerts to appear on ESD's website. Assist in developing materials for media outreach and social media support. Develop materials for internal communications to staff regarding these changes.

Unemployment Insurance Customer Support will update training materials and provide training for claim center and appeals/redetermination staff in relation to the bill allowing labor dispute claims to be valid claims and the charging of benefits paid to striking workers. The UICS Data team will also assist the actuarial team by creating data reports for the annual report to the Legislature.

Staffing estimates are one-time (July 2025 – January 2026) and include:

- 176 hours or 0.12 FTE – Technical Training Consultant to develop training and administer training for 28 adjudicators and 23 intake agents to process new claims.
- 960 hours or .65 FTE – Management Analyst 5 to work with actuarial team to build and generate data reporting requirements including establishing definitions around needed reporting (160 hours); write and test code to generate data (320 hours); verify and validate data (320 hours) and build processes for transmission of data (160 hours).

Staffing estimates are on-going (January 2026 – June 2027) and include:

- 80 hours or 0.05 FTE (FY26) and 0.11 FTE (FY27-FY31) – ES Benefits Specialist 1 to take approximately 15 minutes per call and web notice assuming at least 321 (or 1/3 of new claimants) call or submit a web notice at least once – this would be in line with current percentage of claimants who call in or submit a web notice. Process employer reports and set issues. 321 calls x 15 minutes per claim = 80 hours
- 974 hours or 0.66 FTE (FY26) and 1.32 FTE (FY27-FY31) – ES Benefits Specialist 2 take approximately 45 minutes to process a claim. 1,299 claims x 45 minutes per claim = 974 hours
- 320 hours or .22 FTE – Management Analyst 5 to validate existing reporting for actuarial team; validate existing code, update reporting and verify delivery process.

Policy & Rulemaking staff will conduct any necessary rulemaking, update policies, consult on training development, and provide support for testing and consulting on adjudication issues. Updating policies, consulting on training development, and support and consulting for adjudication issues will be absorbed with existing resources.

Standard major rulemaking costs is \$90,000.

Labor Market Information & Research – The actuarial team will work with the UICS data team to analyze data and impacts for the annual report to the Legislature and track impacts to the UI trust fund.

Staffing estimates are one time (July 2025 – December 2025)

- 1040 hours or .7 FTE – Actuarial Analyst 2 to collect strike data, build data process and validation, models and exhibits; create report and present as needed. This work includes doing historical analysis of strike data; building a data and validation for wage, claim data used for experience rating calculation; industry experience rate calculation, and claim/reimbursed data for reimbursable employers. Developing preliminary models and exhibits and developing the report.

Staffing estimates are ongoing (Jan 2026 – ongoing)

- 520 hours or .35 FTE – Actuarial Analyst 2 to rerun models, track and update impacts and develop annual report and present as needed.

Postage costs will increase in by implementing this legislation; USDOL mandates that Unions be added as interested parties in labor disputes requiring physical letters to be sent to inform parties of fact-finding requests and other related materials.

- Mailing a standard letter costs \$0.69

- January 2026 – June 2026 – 650 claims x 3 letters = 1,949 letters x \$0.69 = \$1,345
- July 2026 – Ongoing per year – 1,299 claims x 3 letters = 3,897 letters x \$0.69 = \$2,689

Notes on impacts for large-scale strikes

While assumptions are based on an annual workload of approximately 1,300 claims, a large-scale strike from one employer would have negative impacts on the customer experience. With the recent strike we received approximately 1,049 claims over the course of a few weeks. Those impacts include:

- Increased call volume resulting in higher customer wait-times to speak to an agent and additional high call volume messages played resulting in customer's inability to speak to the UI Claims Center.
- Increased processing times
- Payment delays

Tax and Wage - Rates unit will update allowable experience rating calculation factors. This work will reside with the claims center during the adjudication process to apply the correct setting in the system.

Unlike other claimants, claimants associated with a labor dispute are disqualified for benefits until the second Sunday following the first day of the strike. ESD assumes this added complexity will increase the number of requests for redeterminations compared to other claims. To account for this, ESD assumes that 12% of claims, rather than roughly 6% of other claims, will request a redetermination. Of those, ESD assumes 9% of requests for redetermination, rather than roughly 6% of other claims, will be appealed to the Office of Administrative Hearings (OAH).

1,299 new claims X 12% request for determination X 6% referral to OAH = 9 new appeals referred to OAH

OAH assumes that those 9 new appeals will be absorbed with existing resources.

Data/Projections/Caseload/Call Volume Estimates

ESD used three data points to estimate the potential number of claims: 1) A review of New Jersey's claim history over two years after allowing benefits to claimants involved in a labor dispute; 2) the number of Washington claimants over the past five years that were flagged as 'on strike,' excluding a recent large-scale strike; and 3) the most recent two years of Washington strike data (2023-2024) to estimate the number of annual striking workers in the state.

In the first two years striking workers were eligible for benefits in New Jersey, 2,241 claimants certified that they were on strike, or 1,120 per year. Adjusted to account for the population size difference between New Jersey and Washington, ESD estimates Washington would have approximately 812 additional claims based on similar rate of claims as New Jersey.

In the past five years of claims in Washington, 2,313 claims per year were marked as a labor dispute. This number is likely skewed to be lower than the total number of people who went on strike during that time period and would possibly be eligible for benefits under the new criteria, as many labor organizations are aware that ESD does not currently pay benefits under a strike situation. To account for this, ESD added a third data point. During the most recent two years of Washington strike data (2023-2024), ESD estimates the number of annual striking workers to be about 9,000. This number excludes a recent large-scale strike and those lasting less than a week. ESD estimates a reciprocity rate of 46.5% of the 9,000 striking workers, or about 4,100 striking workers a year.

Subtracting the number of striking workers claims already filed per year (2,313) from the estimated total claims (4,100) leaves 1,787 estimated new striking worker claims per year.

ESD based staffing calculations on the average of these two estimates (812 based on NJ experience and 1,787 additional claims filed in WA per year), or 1,299 additional claims per year.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5041 E S SB AMI REEV LEON 190	Title: Unemp ins/strikes & lockouts
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Allows workers during a strike or lockout to be eligible for unemployment benefits.
- ☒ Counties: Same as above.
- ☒ Special Districts: Same as above.
- ☒ Specific jurisdictions only: 103 reimbursable cities and 189 reimbursable county establishments
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☒ Key variables cannot be estimated with certainty at this time: The number of strikes local government employees will participate in.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Hailey Brown	Phone: 360-725-5035	Date: 04/17/2025
Leg. Committee Contact:	Phone:	Date: 04/14/2025
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 04/17/2025
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 04/17/2025

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

-- Requires the Employment Security Department (ESD) to notify a separating employer of mediation services available through the Public Employment Relations Commission (PERC) in instances where the ESD has issued benefits as a result of a labor strike.

-- Allows the PERC to charge a fee for covering the costs of private sector labor dispute resolution services where referring private sector employers and labor organizations to the Federal Mediation and Conciliation Service or other applicable federal agency is impracticable or where those services are unavailable due to federal staffing or funding reductions. Requires those fees to be deposited into a non-appropriated account. Allows the Executive Director of the PERC to authorize expenditures from the account solely for the administration, staffing, and other related expenses of private sector labor dispute resolution activities. Repeals an outdated provision pertaining to funding for private sector labor dispute resolution services.

-- Provides that the provisions pertaining to the PERC take effect 90 days after the adjournment of the legislative session.

SUMMARY OF CURRENT BILL:

This bill would allow workers during a strike or lockout to be eligible for unemployment benefits.

-- Allows individuals unemployed due to a labor strike to receive up to 12 weeks of unemployment insurance (UI) benefits following a specified disqualification period, from January 1, 2026, through December 31, 2035.

-- Removes the disqualification from UI benefits based on an employer-initiated lockout resulting from a strike against another employer in a multi-employer bargaining unit, from January 1, 2026, through December 31, 2035.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This bill will have indeterminate expenditure impacts on local jurisdictions that do not currently pay UI taxes. The number of strikes that local government employees will participate is unknown and cannot be predicted. Local jurisdictions may have an indeterminate increase in expenditures if local government employees participate in a strike that lasts long enough to for the bill to apply.

PAYMENT IN LIEU OF CONTRIBUTIONS

According to the Employment Security Department, 103 cities and 189 county establishments do not pay UI taxes as they are permitted to make payments in lieu of contributions. Instead of paying the regular UI taxes for active employees, the employer must make payments in lieu of contributions to cover the UI benefits for employees who are temporarily unemployed due to the strike. This arrangement may have an indeterminate increase employer expenditure.

Cities: 103 cities making payments-in-lieu-of-contributions, with 44,354 employees.

Counties: 189 county establishments* making payments-in-lieu-of-contributions, with 61,344 employees

*including County fire Districts, PUD's, housing authorities, County health departments, County metro, County library's, etc.

The bill would result in higher costs for the 103 reimbursable cities and 189 reimbursable county establishments if there ever was a strike that qualified for benefits, since those jurisdictions would be responsible for covering those benefits unless and until they got a final judgment declaring the strike illegal. However, according to the Association of Washington Cities, local government worker strikes are rare.

Note: This bill may apply to local government employers and employees if a strike begins, however, local government employees have not gone on strike in recent years. Public employees have no legally protected right to strike.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Changes do not alter the original impact analysis. Changes affect private sector employers and ESD reporting requirements which will not impact local government expenditures.

EXPENDITURE IMPACTS OF CURRENT BILL:

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Changes do not alter the original impact analysis.

REVENUE IMPACTS OF CURRENT BILL:

The bill is not expected to have an impact on local government revenue.

SOURCES

Association of Washington Cities

Employment Security Department

Washington State House Bill Report, ESSB 5041 (2025)

Individual State Agency Fiscal Note

Bill Number: 5041 E S SB AMI REEV LEON 190	Title: Unemp ins/strikes & lockouts	Agency: SDF-School District Fiscal Note - SPI
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/14/2025
Agency Preparation: Amy Kollar	Phone: 360 725-6420	Date: 04/17/2025
Agency Approval: Mike Woods	Phone: (360) 725-6283	Date: 04/17/2025
OFM Review: Shea Hamilton	Phone: (360) 229-4774	Date: 04/17/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Changes compared to prior version, ESSB 5041:

Adds a requirement for the Employment Security Department (ESD) to inform the separating employer about available mediation services when benefits are issued due to a strike. If federal mediation services are unavailable, the Public Employment Relations Commission (PERC) can charge private sector employers and labor organizations fees for service costs, which are deposited into a new private sector labor dispute resolution account. This account, managed by the executive director and subject to allotment procedures, does not require appropriation for expenditures. Additionally, the effective date language has been modified to apply to sections 1 through 6 of the act.

Detail:

Sec. 1. Amended

1(1)(b) Strikes language disqualifying an employee from benefits due to a lockout by their employer, who is part of a multiemployer bargaining unit, after one member of that unit was struck by its employees during the bargaining process.

1(2) Strikes reference to lockout for commissioner's consideration for benefit eligibility.

1(3)(a) Adds disqualification termination language when benefit payments commence the second Sunday after the strike starts, provided that the strike is found to be prohibited by federal or state law in a final judgment. If the strike is deemed to be prohibited by federal or state law, paid benefits must be repaid. Alternatively, payments start when the strike ends.

1(3)(b) Adds the condition that after the disqualification ends, individuals must undergo a one-week waiting period and benefits are calculated per chapter rules. If unemployed due to a strike at their last workplace, they may receive benefits for up to 12 weeks, not counting other unrelated weekly benefits.

1(4) Adds a requirement that when benefits are issued due to a strike, ESD must inform the separating employer about the mediation services available through PERC.

Sec. 2. Amended

2(3) Strikes reference to RCW 50.20.090 when considering redetermination or recovery of an allowance of benefits.

Sec. 3. Amended

3(1)(c)(iv) Adds language allowing benefits to be paid from the experience rating account if an individual's unemployment is due to a strike at the factory, establishment, or premises where they were last employed.

Sec. 4. New

4(1) If an individual receives benefits while unemployed due to a strike and later gets retroactive wages from the employer for the same period, ESD will recover those benefits as an overpayment.

4(2) The section expires December 31, 2035.

Sec. 5. New

If any part of the act conflicts with federal requirements necessary for federal funds or tax credits, the conflicting part becomes inoperative to the extent of the conflict, without affecting the rest of the act. Rules must meet federal requirements to secure federal funds or tax credits.

Sec. 6. New

6(1) By December 31, 2025, and annually until 2035, ESD must report to the legislature on strike prevalence in Washington and its impact on the unemployment insurance trust fund.

6(1)(a) This legislation mandates annual reports on strikes' prevalence and impact on the unemployment insurance trust fund in Washington from the department until 2035. It covers details such as the number of strikes, participating employees, unemployment claims, benefits paid, employers affected by rate class changes, and social cost factor rate changes.

6(1)(b) The sum totals of all previous years' information required under (a) of this subsection since the effective date must

be reported.

6(1)(c) Summary of data includes strikes, participating employees, unemployment claims, benefits paid, and employer rate changes for each year in the 10 years prior to the effective date, plus the cumulative total.

6(2) The section expires January 1, 2036.

Sec. 7. New

7(1) Where federal mediation services are impracticable or unavailable due to staffing or funding reductions, PERC may charge private sector employers and labor organizations a fee to cover service costs.

7(2) Fees collected must be deposited into the private sector labor dispute resolution account.

Sec. 8. New

A private sector labor dispute resolution account is established, funded by fees, with expenditures authorized by the executive director for related services, and subject to allotment procedures but not requiring appropriation.

Sec. 9. New

RCW 49.08.060 and 1903 c 58 s 6 are repealed.

Sec. 10. New

Sections 1 through 6 of this act take effect January 1, 2026.

Sec. 11. New

Sections 1 through 3 of the act expire December 31, 2035.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

No cash receipts impact projected for local education agencies (LEAs).

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The fiscal impact to LEAs is indeterminate. If employers must go to court to prove the existence of state or federal law that prohibits strikes in the public sector, then litigation costs will be incurred. If a strike is deemed prohibited and employees have received benefits, repayment of those benefits will be required.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.
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III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.
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III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

No capital budget impact projected for LEAs.

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
5041 E S SB AMH REEV LEON 190	Unemp ins/strikes & lockouts

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

Office of Administrative Hearings	0	0	0	0	0	0	0	0	0	0	0
Public Employment Relations Commission Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Employment Security Department Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0



Ten-Year Analysis

Bill Number 5041 E S SB AMH REEV LEON 190	Title Unemp ins/strikes & lockouts	Agency 110 Office of Administrative Hearings
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Partially Indeterminate Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Pete Boeckel	Phone: 360-407-2730	Date: 4/17/2025 8:18:29 am
Agency Approval: Rob Cotton	Phone: 360-407-2708	Date: 4/17/2025 8:18:29 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number	Title	Agency
5041 E S SB AMH REEV LEON 190	Unemp ins/strikes & lockouts	275 Public Employment Relations Commission

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☐ **No Cash Receipts**
☐ **Partially Indeterminate Cash Receipts**
☒ **Indeterminate Cash Receipts**

Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

PERC is unable to estimate the cash receipts created by the applicable provisions of ESSB 5041 at this time. The provisions of ESSB 5041 that allow PERC to charge private sector employers and labor organizations a fee for covering the costs of services is permissive. Factors that determine whether PERC's Executive Director will charge private sector employers and labor organizations a fee for service include:

- The frequency of private sector requests.
- The complexity of the private sector dispute.
- The caseload of public sector disputes and the availability of PERC's existing staff to hear private sector labor relations disputes.
- The complexity of public sector disputes.

Cash receipts would be limited to the amount of funds necessary to implement ESSB 5041.

Agency Preparation: Dario de la Rosa	Phone: 360-570-7328	Date: 4/17/2025 4:26:26 pm
Agency Approval: Dario de la Rosa	Phone: 360-570-7328	Date: 4/17/2025 4:26:26 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 5041 E S SB AMH REEV LEON 190	Title Unemp ins/strikes & lockouts	Agency 540 Employment Security Department
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☐ **No Cash Receipts**
☐ **Partially Indeterminate Cash Receipts**
☒ **Indeterminate Cash Receipts**

Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

Cash receipt is indeterminate. The impact on an individual employer's tax rate varies and the change will depend on the size of the event, existing rate class, and the amount of benefits charged to the employer. For example, if \$12.5 million was paid out in benefits in 2026, then the associated revenue is expected to be recouped in the coming four years for the majority of employers through experience tax revenue.

Agency Preparation: Montse Walker My	Phone: 360 890 3500	Date: 4/17/2025 3:02:39 pm
Agency Approval: Sophal Espiritu	Phone: (360) 902-9254	Date: 4/17/2025 3:02:39 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number	Title	Agency
5041 E S SB AMH REEV LEON 190	Unemp ins/strikes & lockouts	SDF School District Fiscal Note - SPI

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

☒ **No Cash Receipts** ☐ **Partially Indeterminate Cash Receipts** ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Amy Kollar	Phone: 360 725-6420	Date: 4/17/2025 12:01:52 pm
Agency Approval: Mike Woods	Phone: (360) 725-6283	Date: 4/17/2025 12:01:52 pm
OFM Review:	Phone:	Date: