**Employment Security Advisory Committee**

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| **Meeting details** |
| Date: Monday, August 9, 2021  Time: 1:00 to 3:00 p.m.  Location: Virtual [Webex]  Committee members in attendance:   * Bob Battles * Joe Kendo * Mark Johnson * Tiffany Scott * Anne Paxton for John Tirpak * Rod Van Alyne |
| **Minutes** |
| **Welcome and introductions**  Nick Demerice welcomed committee members and explained that Tiffany Scott is replacing Kevin Perkey as the Employment Security Advisory Committee (ESAC) representative for the Washington Workforce Association.  Tiffany provided some background details about herself and said that she was looking forward to serving as an ESAC committee member.  **Unemployment Insurance Update: Operations / Policy**  Julie Lord, Director of Unemployment Insurance Customer Support (UICS), said that many Employment Security Department (ESD) staff are currently involved in implementing ESSB 5193 ([link](http://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5193-S.SL.pdf?q=20210809181620)), a bill that passed in the 2021 legislative session. Although the title is “Unemployment Insurance – Claims Adjudicators,” the bill also affects many additional areas besides adjudication. Julie introduced Jill Will, UICS Policy and Legislative Implementation Manager, to provide an update on the agency-wide bill implementation activities.  The bill addresses five major subject areas, Jill explained, so ESD formed five project teams; one team to work on each topic. In addition to implementing the five topics, ESD also needs to submit a series of reports to the Legislature: quarterly reports regarding the agency’s implementation efforts, with the first report due 9/1/21, and annual reports regarding the adjudicator pool, with the first report due 10/1/21.  The largest project for the new bill is what ESD calls the Letters Project, which involves revising and plain-talking all determination and redetermination letter templates, plus all other correspondence regarding specific claimants’ cases. ESD is currently revising the non-monetary determination / redetermination template, the monetary determination / redetermination template, the identity fact-finding letter, and the reevaluate claim letter.  Another one of ESD’s bill-related projects involves creating an online data dashboard and providing a quarterly written data report on specific performance metrics.  In addition, ESD is working on a project to create dedicated phone lines for claimants who have disabilities, Limited English Proficiency (LEP), or who lack computer access or computer abilities. ESD already has a robust process for assisting claimants who have disabilities, so the agency will continue using the current process to satisfy that requirement. To assist LEP claimants, ESD is establishing a new 1-800 phone line with information solely in non-English languages. When claimants call this phone line, instructions will be available in the top 25 most-spoken non-English languages [other than Spanish, which is already included on the regular Claims Center phone line]. The work team is currently writing scripts, creating new phone prompts, and preparing updated instructions to translate into other languages for LEP claimants.  In addition, ESD is creating a reserve unemployment insurance adjudicator pool. The first pilot project began on July 21 with 25 ESD interns who completed the National Association of State Workforce Agencies’ adjudicator and customer services trainings, then received a week of ESD’s unemployment insurance training and another week of training on ESD’s UI IT system, called UTAB.  ESD will also work with an advisory committee to explore the threshold for triggers to adjust staffing for assignments and phones, discuss creating a pilot program for having caseworkers assist claimants with both claims and reemployment services, and identify next steps for translating written UI materials into other languages.  ESAC committee member Rod Van Alyne of the Eastern Washington Partnership Workforce Development asked whether the intent of the phones project is to try to get claimants to use eServices instead of calling the Claims Center, pointing out that this could be problematic because many UI claimants don’t have access to computers. Bob Battles of the Association of Washington Business emphasized Rod’s point, asking whether ESD’s intent is to prevent people who simply prefer talking on the phone from doing so. Jill said that the intent is simply to carry out the requirements of the bill to ensure that claimants who have no other way to obtain assistance can do so.  Scott Michael, Legal Appeals and Rules Coordination Manager, discussed the federal CARES Act, which expires on September 4. Although people can’t claim benefits for CARES Act programs after that date, ESD can still make payments. The last day to file for Pandemic Unemployment Assistance (PUA) claims is October 6, but the other two CARES Act programs don’t have specific filing deadlines. ESD estimates that over 200,000 people will run out of UI benefits when the CARES Act benefit programs end.  As UI processes return to the pre-pandemic “normal,” several other changes will also go into effect on September 4. Specifically, new claimants will now have a “waiting week” when they begin filing for UI benefits, SharedWork benefits will be charged to employers, and reimbursable employers (such as charities and state agencies) will stop receiving a 75% reduction in benefit charges.  **Annual update: Relief of benefit charges**  Scott Michael gave an update on a bill that passed in the 2020 legislative session: SHB 2613 ([link](http://lawfilesext.leg.wa.gov/biennium/2019-20/Pdf/Bills/House%20Passed%20Legislature/2613-S.PL.pdf?q=20210809182938)), the Relief of Benefits bill.  RCW 50.29.021 contains a list of several situations where employers can ask ESD to grant “relief of benefit charges” so that the employee’s unemployment insurance UI benefits don’t count against the employer’s UI experience rating account, preventing an increase to the employer’s tax rate.    The bill added an additional item to the list of situations where employers can make this request: when an employee was discharged because of an inability to satisfy a job prerequisite required by law or administrative rule, such as if an employee loses a license that’s required for their position.  Scott said that since the bill went into effect, ESD has granted relief to 14 employers, saving those employers at total of at least $31,000. In most of these situations, employees went on UI because they no longer qualified for their jobs because they didn’t get a license or certification, or because their existing license or certification expired.  **Update on Reemployment Services** Jairus Rice, Director of Employment Connections, said that in the past few months the WorkSource offices have assisted a significantly larger volume of jobseekers. There were several possible contributing factors, such as the reinstatement of Reemployment Services and Eligibility Assessment (RESEA) in January and the reinstatement of job search requirements in early July. Jairus explained that some additional upcoming changes may also drive more jobseekers to WorkSource offices, such as the federal CARES Act benefits ending in early September.  At this point, 34 of the 36 WorkSource offices are providing in-person services, although the current service model is a hybrid of both in-person and virtual services. WorkSource recently finished the “create a record” project, so now WorkSource staff can create new records on claimants’ behalf when necessary.  The number of WorkSource live chat requests has declined dramatically since February 2021 and now most of the live chat questions are specifically related to reemployment and training. In addition, participation in statewide virtual workshops increased 57% since January, and WorkSource assisted 60% more jobseekers in July than June.  **Subcommittee to Address Equity, Diversity, and Inclusion Issues**  Ayanna Colman, Director of Equity, Diversity, and Inclusion, introduced herself to the committee members and said that ESD is forming an ESAC subcommittee to address equity, diversity, and inclusion (EDI) issues.  The agency hopes to have around ten committee members and wants to hold the first meeting in September. ESD is recruiting committee members now through August 23 and is looking for people who are members of underserved communities or who represent members of underserved communities. Ayanna asked interested people to email their name, the name of the organization they represent, to verify if they have lived experience and personal membership in an underserved community, and to explain their reason for applying. Applicants should send this information to [ESDGPPAOutreach@esd.wa.gov](mailto:ESDGPPAOutreach@esd.wa.gov).  Mark Johnson said that his organization, the Washington Retail Association, takes DEI issues very seriously and that Rose Gunderson wants to represent WRA on the subcommittee. Tiffany asked what the time commitment will be, and Ayanna said the group will probably meet once a month from September 2021 through September 2022. Nick Demerice said that ESD will continue to provide updates on the ESAC subcommittee at future ESAC meetings.  **Trust Fund Update**  Steven Ross, Director of Labor Market Information, explained that the employment data does not yet show the impact of the COVID delta variant. From February through May 2020, the state lost around 420,000 nonfarm jobs, but gained around 272,200 jobs between May 2020 and June 2021. Nonfarm employment is still about 4% lower than it was before the pandemic.  As of July 29, the trust fund balance is 1.76 billion, enough to pay over four months of benefits under current estimates.  Joe Kendo asked about [ESSB 5061](http://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Senate%20Passed%20Legislature/5061-S.PL.pdf?q=20210809180833), a UI-related bill that passed in the 2021 legislative session. Scott Michael explained that the bill gradually increases the social tax over the next five years. Joe said that the bill’s fiscal note ([link](https://fnspublic.ofm.wa.gov/FNSPublicSearch/GetPDF?packageID=61683)) mentioned that the bill may affect the trust fund, and he asked whether what ESD has seen since the bill passed has aligned with the projections the agency included in the fiscal note. Steven explained that the results have been better than ESD had projected.  Steven also said that ESD needs to determine whether to continue following the current trust fund calculation methodology or begin using different methodology. Bob Battles said that he thinks the trust fund estimates are working well, and cautioned against reopening this discussion, explaining that the conversations to formulate the current methodology (which occurred several years ago) were extremely contentious.  Mark asked Steven whether ESD has any data regarding how many jobseekers are moving to different industries to avoid the impact of potential future pandemic-like situations such as retail workers moving to other industries. Steven said that there’s some industry-specific data on ESD’s website, but so far ESD hasn’t seen any big trends. |

The meeting adjourned at 2:43 p.m.