



## Unemployment Insurance Advisory Committee

### Meeting details

**Date:** Wednesday, August 11, 2021

**Time:** 10:00 a.m. to 12:00 p.m.

**Location:** Zoom

#### Committee members present

- Robert Battles
- Julia Gorton
- Tammie Hetrick
- Sybill Hyppolite
- Joy Emory
- Cindy Richardson
- Josh Swanson
- Brenda Wiest
- Michelle Willms (proxy for Jerry VanderWood)

#### Committee members absent

- Jerry VanderWood

#### ESD staff

- Joy Adams
- Nick Demerice
- Joshua Dye
- Stasha Espinosa
- Commissioner Cami Feek
- Wendy Goldmark
- Matt LePalm
- Nona Mallicoat
- Scott Michael
- Jairus Rice

## Summary

### Meeting Recorded

This meeting was recorded and is available at <https://esd.wa.gov/newsroom/UIAC/recordings>.

This meeting was also livestreamed by TVW and the broadcast can be found at:

<https://www.tvw.org/watch/?clientID=9375922947&eventID=2021081034>

### Welcome and Opening Remarks

Employment Security Department (ESD) Manager, Joy Adams, welcomed everyone and introduced the newest UIAC member Joy Emory, Workforce Snohomish, who has replaced Kevin Perkey. Joy asked Wendy Goldmark to take roll call. All committee members were present except Jerry VanderWood.

### Agenda

Joy Adams reviewed the meeting agenda and asked if anyone had any questions. (See Addendum I.)

### Meeting Minutes

Joy Adams requested that everyone review the meeting minutes for July 14, 2021 and provide their feedback. Brenda Wiest made a motion to approve the minutes and Josh Swanson seconded the motion. Joy asked for all members in favor to say, "Aye". All members responded, "Aye". Joy asked members that oppose to say, "Nay". No one responded. The July 14, 2021 meeting minutes were approved.

### Opening Discussion

Joy Adams opened the meeting discussion with a [slide presentation](#) and highlighted the below topics to be covered:

- Discussion with ESD Commissioner Cami Feek
- UI Program Update
- UI Rulemaking Update
- SB 5193 Implementation

Joy Adams handed the meeting over to ESD Commissioner Cami Feek to continue the discussion:

*"I am excited to come talk to this committee at the one-year anniversary of its establishment, and what a year it has been. I want to start by thanking you for your time and commitment to this work. This has been a challenging time for all of us and I know you have a lot on your plate, so I am deeply appreciative of your service on this committee.*

*This committee was established during the depths of the pandemic and the enormous challenges it presented to the UI program. As you know, the committee was established to consider and provide recommended changes to state law to the Legislature and Governor and comment on ESD rulemaking, as well as improve our agency's ability to prepare for, respond to and recover from major economic shifts.*

*You have done an incredible amount of work that strongly influenced major legislative and other policy changes to the UI program. We are grateful for the partnership. That work is scheduled to continue through the end of the year, and as we*

*recover from this crisis it is a top agency priority to identify lessons learned from the crisis and avenues to improve the UI program so that it better supports workers and businesses, including in times of economic crisis. We look forward to continuing to partner with you as you advise us on that vital work.*

*With my time here today, I am hoping to hear from each of you on your perspective on the work of this committee to date and what you envision going forward as we look to continually improve our state's UI program."*

Julia Gorton: *"Due to the relief legislation that passed that had several years forecasting on what the impact would be, it is important for this group to continue to monitor and suggest responses if necessary, on how that is going. That will probably be a primary focus. There are a number of other workgroups designed to deal with workforce, but that is certainly going to be a significant challenge moving forward, so if we could find the right focus of workforce that some of the other groups that are already established are not focusing on, that might work as well."*

Robert Battles: *"I would echo what Julia said. This group has certain focus that needs to continue to look at those issues, beyond just what everybody else is doing. I can't say enough how we appreciate you being there, no longer the acting, but now the Commissioner. Thank you for being there and being readily available to business and labor on these issues."*

Brenda Wiest: *"I am really interested to see how we move forward with some of the lessons that we have learned over the past year in terms of the service delivery model, how workers are able to access the system and, quite frankly, I think everyone is a little bit on edge because of the Delta variant and the lack of vaccines in some communities. Folks feel uncertain and that has an impact on people's desire to return to work and how that impacts their families and we are about to hit a big transition as many people's benefits and the federal programs will be ending next month. So, we will continue to have a lot to monitor, not just in terms of people returning to work but how people are able to then be resilient as many have exhausted their benefits moving forward and many industries and sectors have not yet fully recovered."*

Josh Swanson: *"I appreciate the conversation and you bringing this forward, Commissioner Feek. And would echo what Bob had to say that we are really happy that you are in this job and we are having these conversations. I think in these uncertain times – we are starting to come out of it, which is good – there are a lot of uncertainties with the federal aid now almost being complete and then on the construction side we are quickly approaching our down time which will have a lot of members experiencing their first post COVID experience in the system. I think this open dialogue is critical for us moving forward and we certainly welcome these conversations and any improvements to the system, as well as hearing first-hand from ESD on what is going on in response to all the issues. And again, thank you for doing this."*

Tammie Hetrick: *"I appreciate that we have WorkSource included in this and I would really like to see us boost that partnership a little bit more and see how we can engage them as we start looking to return to work and how we can better support that effort. Thank you."*

Sybill Hyppolite: *"I would like to add that we are really glad that you are in your role, Cami, and glad to be able to work with you. I echo and support what we heard from Josh and Brenda and add I am really interested in continuing our conversations about worker experience with the unemployment system and making sure that we have proper language access for people all across Washington who use the system. I know that translation services have come a long way, but we still have a ways to go in making sure that everyone can access and use the system appropriately. I am looking forward to that conversation and everything that was said earlier."*

Cindy Richardson: *"I would like to echo what Sybill, Brenda and Josh had said around accessibility for languages and the experience through unemployment. I really look forward to working with you on some of these issues moving forward."*

Commissioner Feek wrapped up the discussion:

*“I want to extend my gratitude. I am really appreciative of what you have contributed, the role that you have played through your work on the committee, and I am really looking forward to continuing this work together. I am here to listen. ESD is here to continue on the path that we are on in improvement across the system, particularly with UI. We know we have come a long way and we know that we have more to go. I am very available to connect and help as issues come up or proactively. What I love about this committee is the ability to be forward facing and really looking ahead as much as is possible in a situation where we don’t know. We are learning still, but I wanted to say thank you. I think the impact you have had with the changes made so far has been tremendous. We are committing to continuing that. Thank you so much for your time today and for your commitment to the Committee. I really appreciate all of you.”*

Joy Adams continued with the discussion:

## **UI Program Updates**

### **Work Search Reinstatement**

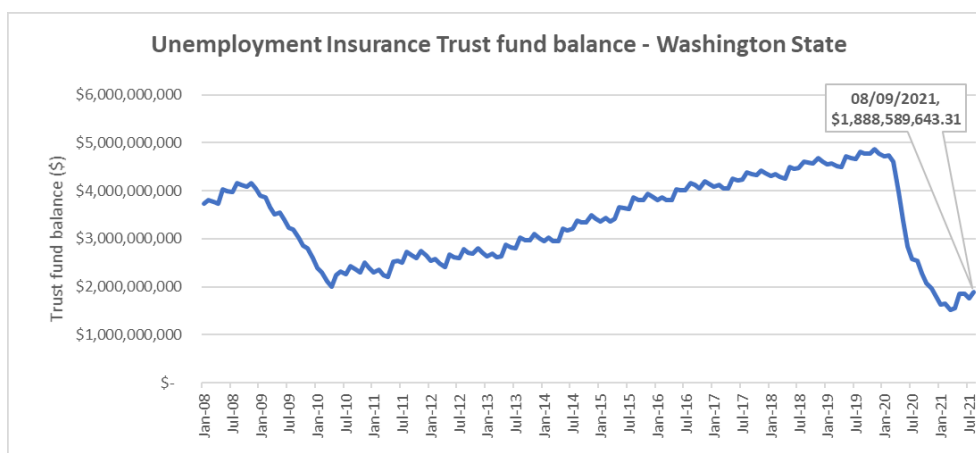
- In July, claimants resumed reporting work search activity on their weekly claim.
- 96% of claimants are reporting job search activities weekly.
- Job search activities posted on 16 language landing pages, in addition to return to work and refusal of work content.
- Job search pages account for 11% of total downloads from the language landing pages since July 12th.

### **Potential New Claims**

- Re-launched regular reviews for new claim eligibility June 11th.
- 105,000 claimants asked to respond to questionnaire; over 86,000 have responded to date.
- Outreach continues to connect remaining claimants with claims agents.
- We are approaching the time when issues will be set for claimants who have not responded.

## **Unemployment Insurance Trust Fund**

- On August 9, the UI trust fund balance was roughly \$1.89 billion



### Months of Benefits Calculation (08/09/21)

**Trust Fund Balance:** \$1.89 billion

**Total Wages:** \$196 billion

**Reserve Ratio (RR):**  $\left(\frac{\$1.89\text{billion}}{\$196\text{ billion}}\right) * 100 = 0.96$

**Average High-Cost Rate (AHCR):** 2.44

**Months of Benefits:**  $\left(\frac{0.96}{2.44}\right) * 12 = \mathbf{4.74 \text{ Months of Benefits}}$

Bob Battles: *“Do you anticipate the trend to continue upward?”*

Joy Adams: *“Yes, upward and not needing a loan.”*

Bob Battles: *“What impact will vaccines/ non vaccines have on voluntary quits and the trust fund balance?”*

Joy Adams: *“We are discussing all of this and do not have definitive answers yet.”*

Bob Battles: *“Interested to know where in the private sector is this going to hit.”*

Michelle Willms *“Construction is also one of the industries that could be touched. If someone is working on a public works job site then our concern is whether they will be eligible to receive the benefit and, if so, is it going to impact the employer’s social tax or their experience rating.”*

Joy handed the meeting over to Scott Michael to continue the discussion:

### **CARES Act Program Expiration**

The week ending **September 4, 2021** is the last week for which a person can claim the following federal benefits:

- **PUA** (Benefits for those who do not qualify for regular unemployment)
- **PEUC** (Extra weeks of benefit when regular claim expires)
- **FPUC** (Bonus \$300 added on to weekly benefit checks)

Payments for these benefits can occur after September 4, 2021 when:

- Claim is allowed to be backdated
- Payment is held while an issue is adjudicated
- A denial of benefits is overturned on appeal

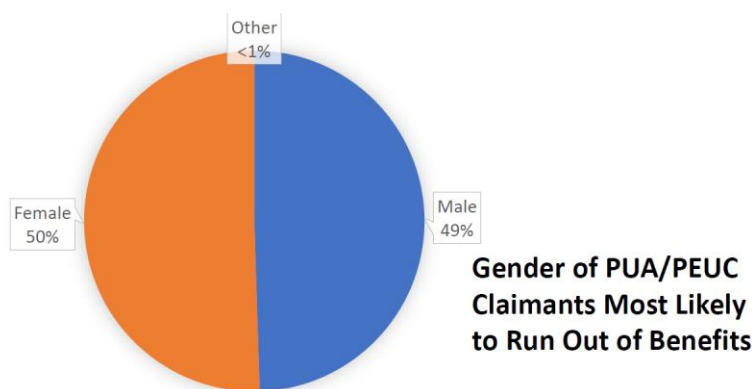
Last day to file an initial application for PUA is **October 6, 2021**

### **Some Numbers**

**246,500** individuals have claimed at least one week of PUA or PEUC for the week ending July 1, 2021 or after

- **25,700** of these individuals have a different, active claim for regular unemployment benefits
- **15,800** of these individuals have 680 hours in a base year or alternate base year if they applied for benefits in 3rdquarter 2021, making them potentially eligible for a new regular unemployment claim

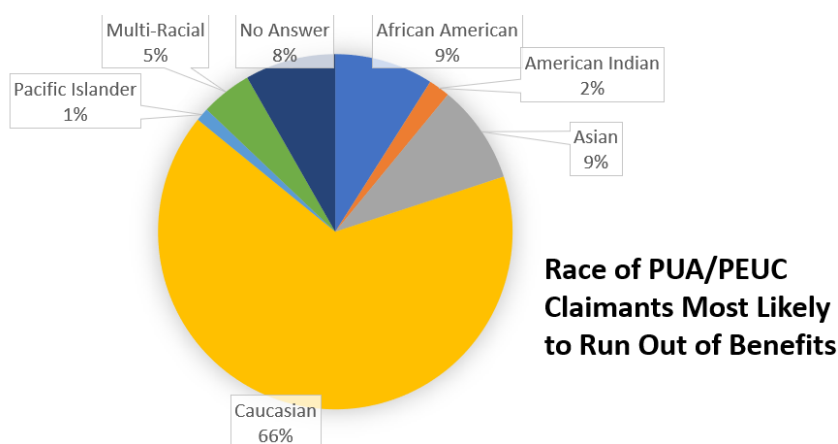
205,000 individuals who will most likely run out of state and federal unemployment benefits after September 4, 2021



**Languages and Ages of PUA/PEUC Claimants Most Likely To Run Out of Benefits**

Language Preference	% of Total
English	95%
Spanish	1%
Vietnamese	1%
Traditional Chinese	1%
Other	1%
Korean	<1%
Russian	<1%
Cambodian	<1%
Laotian	<1%
Somali	<1%

Age Range	% of Total
<30	17%
30-45	38%
46-60	27%
>60	17%



September 4, 2021 is also the last week for which:

- Claimants do not have to serve an unpaid waiting week

- The first week of benefits is federally funded and not charged to employers
- Shared work benefits are federally funded and not charged to employers
- Reimbursable employers get a 75% reduction in their benefit charges

If the payment is made after **September 4, 2021**, employers will still see benefit charge relief, so long as the benefits are paid for the week of unemployment ending **September 4, 2021**.

### **Communications Plan**

- Program end dates will be posted on our website.
- Between now and Sept. 4, we will start messaging impacted groups of claimants.
- Our communications campaign to claimants and employers also will include:
  - Updating letters as needed
  - Information in employer newsletter
  - Website content
  - Social media
  - Banner in eServices
  - FAQs
  - Phone hold message
  - Media outreach, including Spanish language radio

Joy Adams paused the meeting for a fifteen-minute break and asked everyone to return at 11:00 a.m.

Joy Adams welcomed everyone back after the break and handed the meeting over to Scott Michael to continue the discussion:

### **Rulemaking and Legislative Update**

#### **Agency Request Legislation**

#### **Cross Reference Corrections -**

- RCW 50.29.025(1)(c)(ii) – “The social cost factor rate [for delinquent employers] shall be the social cost factor rate assigned to rate class 40 under *(b)(ii)(A)* of this subsection.”
  - Subsection (b)(ii)(A) points precisely to the social cost factor rate of employers assigned to Rate Class 1, not Rate Class 40.
  - Cross reference should be subsection (b)(ii), the general list of social cost factor rates for all rate classes
- RCW 50.29.070(1) – “The [tax rate] notice must include the amount of the contribution rate that is attributable to each component of the rate under *RCW 50.29.025(2)*.”
  - Subsection (2) of RCW 50.29.025 was moved to subsection (1) by SB 5061 (2021)
  - Cross reference should be RCW 50.29.025(1), where the components of employer tax rates are specified

#### **Using Inclusive Language**

- Replacing the term “alien” with “noncitizen”
- Removing “the relationship of *master and servant* as known to the common law” with “any employment relationship known to the common law” from the definition of “Employment”
  - Includes provision that the bill is not intended to increase or reduce the scope of the definition of “Employment”

Scott Michael asked everyone to provide their feedback by August 15 on the Agency request legislation or if they were ready to vote for support today. Robert Battles made a motion to move forward today, and Brenda Wiest seconded the motion. Joy Adams asked for all members in favor to say, “Aye”. All members responded, “Aye”. Joy Adams asked members that oppose to say, “Nay”. No one responded. The Agency request legislation was approved.

Joy Adams handed the meeting back to Scott Michael to continue the discussion:

### **Hours of Availability**

- Adopted permanent rules stating claimants only need to be available for up to 40 hours per week that are customary for their occupation.
- Current rules say claimants need to be available for all hours customary for their occupation.
- New rules are effective **January 2, 2022**.

Joy Adams handed the meeting over to Jill Will to continue the discussion:

### **SB 5193 Implementation**

[ESSB 5193 Sec. 3 \(3\)](#) requires ESD to work with the UIAC to explore:

- Establishing thresholds that will trigger automatic adjustments in ESD staffing assignments and phone agent staffing levels;
- Establishing a pilot to provide a caseworker approach to the claims of a group of claimants with that casework carrying over to reemployment services;
- Increasing language access, including by providing translation of notices sent to claimants as part of their unemployment insurance claims; and
- The frequency of the initial and continuing training to maintain a reserve force of skilled adjudicators who can be available quickly when claims volume demands.

### [ESSB 5193](#) UI Systems Enhancements

- Multiple major requirements – split into five projects to get the work done
- Quarterly report to the Legislature, first report due September 1
  - Implementation of ESSB 5193
  - Performance metrics
  - Any new federal programs
  - Any software or technology issues related to claims processing
  - Updates on protocols and processes for sensitive data

Annual report on Adjudicator Pool due October 1

### **#1 – Letters Project**

Revise all determination and redetermination letters and plain talk all UI correspondence directly related to a specific claimant’s case

In process with cross-agency Research and Writing Teams

- Determination and redetermination letter template
- Monetary determination letter
- Identity issue fact finding letter
- Reevaluate claim letter



**#2 – Online Data Dashboard Project**

Create online data dashboard and provide quarterly written data report on specific performance metrics. Additional metrics added at request of JLARC.

In process with LMEA and UICS Data Teams

- Draft dashboard elements established
- Dashboard under development
- Gathering quarterly report data definitions, elements, data sources

**#3 – Dedicated Phone Lines Project**

Establish dedicated toll-free phone lines to allow access for claimants who: lack computer skills, lack access to computers, have disabilities, have limited English proficiency

- Existing 800 line to request accommodation for disabilities will remain in use
- Phone access for those lacking computer access still under review

In process with Automated Voice and Data, UICS, Customer Experience, Communications, Vendor

- Establishing a new 800 line for LEP claimants
- LEP scripts, phone menu, prompts for top 25 languages
- Updated instructions for LEP claimants on accessing service

**#4 – Reserve UI Adjudicator Pool Project**

Establish a training program and form pool of trained reserves who could serve as UI claims adjudicators in the event of future large spikes in unemployment. Submit annual project status report on number trained.

- Draft training plan presented
- Curricula includes NASWA Adjudicators Certification and Customer Service online followed by one week of UI training and one week of UTAB system training
- Pilot program began July 21, 2021 with a class of 25 new Interns – proof of concept

In process with UICS Training Team, HR, Contracts

- Schedule will outline the project to mid-2022
- Work with union on required notifications
- Draft interagency agreement
- Capture NASWA and UICS training in Learning Management System

**#5 – Advisory Committee Project**

Work with advisory committee to explore

- thresholds for triggers to adjust staff for assignments and phones
- creating a pilot for having caseworkers work with claimants on their claims and reemployment services
- identifying next steps for translating written UI materials into other languages

In process with Government Affairs, Customer Experience, and Equal Opportunity Office

- Recruiting for subcommittee members to provide input on translation of UI materials
- Gathering background information on language utilization and current LEP services

- Documenting high level process for claimant experience through the UI system and on to job placement services
- Gathering background information on potential triggers

Target - Feedback sessions to start in September

#### **Action Items**

- New demographic data for the 204,500 who we estimate will run out of COVID-19 benefits.
  - Geographic data (where these claimants live) to target for nearest WorkSource offices
  - Industry data (in which industries these claimants worked) to target for open positions.
  - Ethnicity data
- Before the next meeting – an update on how the Agency will handle vaccine related separations and tracking of those claims that were vaccine related so we can track the impact on future benefits and trust fund level.

ESD is committed to reviewing action items and returning to these topics.

#### **Next Agenda Discussion**

- SB 5061 Report
- SB 5478 Impact

#### **Public Comments**

Jason Haugland

#### **Adjourned**

Joy Adams thanked everyone for their continued active participation and for their commitment to this work, then ended the meeting at 11:48 a.m.

#### **Next meeting**

The next Unemployment Insurance Advisory Committee meeting is on Wednesday, September 8, 2021 from 10:00 a.m. to 12:00 p.m. via Zoom.

Addendum I

Agenda

Unemployment Insurance Advisory Committee (UIAC)

Wednesday, August 11, 2021 | 10:00 am – 12:00 pm | Via Zoom

Agenda Items

Time	Topic
10:00 am	Welcome from Joy Adams, Manager, Employment System Policy & Integrity (ESPI) Division, Employment Security Department (ESD) <ul style="list-style-type: none"> <li>✓ Introduction: Joy Emory (Workforce Snohomish)</li> <li>✓ Agenda Review</li> </ul>
10:05 am	Approval of July 14, 2021 Meeting Minutes
10:10 am	Discussion with ESD Commissioner Cami Feek
10:30 am	Program Update <ul style="list-style-type: none"> <li>✓ Work Search and PNC Update</li> <li>✓ UI Trust Fund Update</li> <li>✓ CARES Act UI Program Expiration</li> <li>○ Joy Adams, UI Quality Assurance and Operations Manager, ESD</li> <li>○ Scott Michael, Legal Services Manager, ESD</li> </ul>
11:00 am	Break
11:10 am	Agency Request Legislation and Rulemaking Update <ul style="list-style-type: none"> <li>○ Scott Michael, Legal Services Manager, ESD</li> </ul>
11:25 am	SB 5193 Implementation <ul style="list-style-type: none"> <li>○ Julie Lord, UI Customer Support (UICS) Director, ESD</li> <li>○ Jill Will, UICS Policy and Legislation Implementation Manager, ESD</li> </ul>
11:50 am	Next Agenda Discussion <ul style="list-style-type: none"> <li>○ Joy Adams, Manager, ESD</li> </ul>
11:55 am	Public Comments
12:00 pm	Adjourn

For more information, please visit the UIAC website at <https://esd.wa.gov/newsroom/UIAC>

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