

2 **SSB 6420** - H COMM AMD **ADOPTED**  
3 By Committee on Commerce & Labor

4

5 Strike everything after the enacting clause and insert the  
6 following:

7 "NEW SECTION. **Sec. 1.** The legislature finds that the shift by the  
8 employment security department from in-person written initial  
9 applications for unemployment insurance benefits to a call center  
10 approach creates opportunities for improved service but also raises  
11 serious concerns. Eliminating face-to-face contact may increase the  
12 potential for fraud and reduce the probability that claimants will  
13 utilize existing reemployment resources. Therefore, it is the intent  
14 of the legislature that if the written application process is to be  
15 eliminated, the employment security department must ensure that  
16 unemployment insurance claimants remain actively involved in  
17 reemployment activities and that an independent evaluation be conducted  
18 of the call center approach to unemployment insurance.

19 **Sec. 2.** RCW 50.20.140 and 1951 c 215 s 4 are each amended to read  
20 as follows:

21 An application for initial determination, a claim for waiting  
22 period, or a claim for benefits shall be filed in accordance with such  
23 (~~regulations~~) rules as the commissioner may prescribe. An  
24 application for an initial determination may be made by any individual  
25 whether unemployed or not. Each employer shall post and maintain  
26 printed statements of such (~~regulations~~) rules in places readily  
27 accessible to individuals in his or her employment and shall make  
28 available to each such individual at the time he or she becomes  
29 unemployed, a printed statement of such (~~regulations~~) rules and such  
30 notices, instructions, and other material as the commissioner may by  
31 (~~regulation~~) rule prescribe. Such printed material shall be supplied  
32 by the commissioner to each employer without cost to (~~him~~) the  
33 employer.

34 The term "application for initial determination" shall mean a  
35 request in writing, or by other means as determined by the

1 commissioner, for an initial determination. The term "claim for  
2 waiting period" shall mean a certification, after the close of a given  
3 week, that the requirements stated herein for eligibility for waiting  
4 period have been met. The term "claim for benefits" shall mean a  
5 certification, after the close of a given week, that the requirements  
6 stated herein for eligibility for receipt of benefits have been met.

7 A representative designated by the commissioner shall take the  
8 application for initial determination and for the claim for waiting  
9 period credits or for benefits. When an application for initial  
10 determination has been made, the employment security department shall  
11 promptly make an initial determination which shall be a statement of  
12 the applicant's base year wages, his or her weekly benefit amount, his  
13 or her maximum amount of benefits potentially payable, and his or her  
14 benefit year. Such determination shall fix the general conditions  
15 under which waiting period credit shall be granted and under which  
16 benefits shall be paid during any period of unemployment occurring  
17 within the benefit year fixed by such determination.

18 NEW SECTION. Sec. 3. A new section is added to chapter 50.20 RCW  
19 to read as follows:

20 The employment security department will ensure that within a  
21 reasonably short period of time after the initiation of benefits, all  
22 unemployment insurance claimants, except those with employer  
23 attachment, union referral, in commissioner approved training, or the  
24 subject of antiharassment orders, register for job search in an  
25 electronic labor exchange system that supports direct employer access  
26 for the purpose of selecting job applicants.

27 NEW SECTION. Sec. 4. A new section is added to chapter 50.20 RCW  
28 to read as follows:

29 To ensure that following the initial application for benefits, an  
30 individual is actively engaged in searching for work, effective July 1,  
31 1999, the employment security department shall implement a job search  
32 monitoring program. Except for those individuals with employer  
33 attachment or union referral, and individuals in commissioner-approved  
34 training, an individual who has received five or more weeks of benefits  
35 under this title must provide evidence of seeking work, as directed by  
36 the commissioner or commissioner's agents, for each week beyond five in  
37 which a claim is filed. The evidence must demonstrate contacts with at

1 least three employers per week or documented in-person job search  
2 activity at the local reemployment center. In developing the  
3 requirements for the job search monitoring program, the commissioner or  
4 the commissioner's agents shall utilize an existing advisory committee  
5 having equal representation of employers and workers.

6 NEW SECTION. **Sec. 5.** (1) The joint legislative audit and review  
7 committee, in consultation with members of the senate and house of  
8 representatives commerce and labor committees and the unemployment  
9 insurance advisory committee, shall conduct an evaluation of the new  
10 call center approach to unemployment insurance. The evaluation shall  
11 review the performance of the call center system, including, but not  
12 limited to, the: (a) Promptness of payments; (b) number and types of  
13 errors; (c) amount and types of fraud; and (d) level of overpayments  
14 and underpayments, compared with the current system.

15 (2) The joint legislative audit and review committee is directed to  
16 contract with a private entity consistent with the provisions of  
17 chapter 39.29 RCW. The committee shall consult with the unemployment  
18 insurance advisory committee in the design of the request for proposals  
19 from potential contractors and shall use the advisory committee to  
20 evaluate the responses. The joint legislative audit and review  
21 committee shall provide a report on its findings and recommendations to  
22 the appropriate standing committee of the senate and house of  
23 representatives by September 1, 2001.

24 NEW SECTION. **Sec. 6.** The employment security department is  
25 authorized to expend funds provided under RCW 50.24.014(1)(b) for the  
26 purposes of the evaluation provided for in section 5 of this act.

27 **Sec. 7.** RCW 50.24.014 and 1994 c 187 s 3 are each amended to read  
28 as follows:

29 (1)(a) A separate and identifiable account to provide for the  
30 financing of special programs to assist the unemployed is established  
31 in the administrative contingency fund. Contributions to this account  
32 shall accrue and become payable by each employer, except employers as  
33 described in RCW 50.44.010 and 50.44.030 who have properly elected to  
34 make payments in lieu of contributions, taxable local government  
35 employers as described in RCW 50.44.035, and those employers who are  
36 required to make payments in lieu of contributions, at a basic rate of

1 two one-hundredths of one percent. The amount of wages subject to tax  
2 shall be determined under RCW 50.24.010.

3 (b) For the first calendar quarter of 1994 only, the basic two one-  
4 hundredths of one percent contribution payable under (a) of this  
5 subsection shall be increased by one-hundredth of one percent to a  
6 total rate of three one-hundredths of one percent. The proceeds of  
7 this incremental one-hundredth of one percent shall be used solely for  
8 the purposes described in section 22, chapter 483, Laws of 1993, and  
9 for the purposes ~~((described in RCW 50.40.060))~~ of conducting an  
10 evaluation of the call center approach to unemployment insurance under  
11 section 5 of this act. Any surplus from contributions payable under  
12 this subsection (b) will be deposited in the unemployment compensation  
13 trust fund.

14 (2)(a) Contributions under this section shall become due and be  
15 paid by each employer under rules as the commissioner may prescribe,  
16 and shall not be deducted, in whole or in part, from the remuneration  
17 of individuals in the employ of the employer. Any deduction in  
18 violation of this section is unlawful.

19 (b) In the payment of any contributions under this section, a  
20 fractional part of a cent shall be disregarded unless it amounts to  
21 one-half cent or more, in which case it shall be increased to one cent.

22 (3) If the commissioner determines that federal funding has been  
23 increased to provide financing for the services specified in chapter  
24 50.62 RCW, the commissioner shall direct that collection of  
25 contributions under this section be terminated on the following January  
26 1st."

27 Correct the title.

28 EFFECT: The amendment adds the following:

29 (1) An intent statement that if a written application process for  
30 obtaining unemployment insurance benefits is eliminated, the  
31 Legislature intends the Employment Security Department to ensure that  
32 claimants remain actively involved in reemployment activities and that  
33 the call center approach be evaluated; and

34 (2) Beginning July 1, 1999, the Employment Security Department must  
35 implement a job search monitoring program. With some exceptions,  
36 individuals who have received 5 or more weeks of benefits must provide  
37 evidence of seeking work. Evidence includes contacts with 3 employers  
38 per week or job search activity at a local reemployment center. In

- 1 developing the program, the Department must use an advisory committee
- 2 having an equal number of employers and workers.

--- **END** ---