## SENATE BILL REPORT

## **SB 6420**

As Reported By Senate Committee On: Commerce & Labor, February 2, 1998

**Title:** An act relating to application for initial determination for unemployment insurance benefits.

**Brief Description:** Allowing an application for initial determination to be in writing or in another form determined by the commissioner of the employment security department.

**Sponsors:** Senators Schow, Heavey and Winsley; by request of Employment Security Department.

## **Brief History:**

Committee Activity: Commerce & Labor: 1/19/98, 2/2/98 [DPS].

## SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** That Substitute Senate Bill No. 6420 be substituted therefor, and the substitute bill do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser and Heavey.

**Staff:** Patrick Woods (786-7430)

**Background:** Under Washington's current unemployment insurance (UI) law, an individual is required to make his or her initial application for UI benefits in writing.

In order for an application to be made over the telephone, the information must be taken over the phone, mailed to the individual for signature, and returned to the Employment Security office before any eligibility decision or payment can be made.

The Employment Security Department is requesting the authority to allow alternative means for claims application in order to streamline the current system, reduce administrative costs and transition the UI application process into Call Centers, where the majority of claims will be handled via telephone or other electronic media.

**Summary of Substitute Bill:** The current state requirement mandating that initial applications for unemployment insurance benefits be made in writing is modified. In addition, individuals are permitted to use other media as determined appropriate by the Commissioner of Employment Security to make their initial unemployment claims.

The department must ensure that all claimants register for job search on the electronic labor exchange that supports direct access for employers selecting job applicants. The Joint

Legislative Audit and Review Committee (JLARC) is directed to undertake a performance study of the call center process.

**Substitute Bill Compared to Original Bill:** The substitute adds provisions requiring the Department of Employment Security to ensure that all claimants register for job search on the electronic labor exchange that supports direct access for employers selecting job applicants. JLARC is directed to undertake a performance study of the call center process.

**Appropriation:** None.

Fiscal Note: Requested on January 15, 1998.

Effective Date: Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This authorization will streamline and reduce current administrative procedures and related costs. However, greater controls and a performance evaluation are needed to ensure the effectiveness of call centers.

**Testimony Against:** None.

**Testified:** Dale Zigler, ESD (pro); Clif Finch, Norm Raffaell, AWB; Gary Smith, Ind. Bus. Association.