Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor & Workplace Standards Committee

HB 2987

Brief Description: Making unemployment benefits accessible to persons with family responsibilities and other availability issues and making clarifying changes.

Sponsors: Representative Gregerson.

Brief Summary of Bill

- Adds good cause quit provisions relating to inaccessibility of care for a child or vulnerable adult.
- Adds as factors in determining suitable work the claimant's customary work shifts and the availability of caregiving for a child or vulnerable adult.
- Removes the 17 hour maximum to qualify as a part-time worker.

Hearing Date: 2/15/18

Staff: Joan Elgee (786-7106).

Background:

General. The unemployment compensation system is designed and intended to provide partial wage replacement for workers who are unemployed. Eligible unemployed workers receive benefits based on their earnings in their base year. The base year is typically the first four of the last five completed calendar quarters. The Employment Security Department (Department) administers this system.

A claimant is eligible to receive unemployment insurance benefits if he or she: (1) worked at least 680 hours in his or her base year; (2) was separated from employment through no fault of his or her own or quit work for good cause; and (3) is available to work and is actively searching for work.

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Good Cause Quit. A claimant may quit and maintain eligibility for benefits only under good cause quit circumstances listed in statute. These circumstances include that the claimant's usual compensation or hours were reduced by 25 percent or more or the separation was necessary to protect the claimant or immediate family member from domestic violence.

Another good cause quit circumstance is when the separation was necessary because of the illness or disability of the claimant or death, illness, or disability of an immediate family member. This good cause quit requires that the claimant: (1) pursued all reasonable alternatives to preserve his or her employment status by requesting a leave of absence, promptly notifying the employer of the reason for the absence, and having promptly requested reemployment when able to work; and (2) terminated his or her employment status and is not entitled to be reinstated to the same, comparable, or similar position.

<u>Suitable Work</u>. To be available for work, a claimant must be ready, able, and willing to accept any suitable work. Suitable work is employment in an occupation in keeping with the claimant's prior work experience, education, training, or if the claimant has no work experience, special education, or training for employment available in the general area, employment the claimant is physically and mentally capable of performing. In determining whether work is suitable, the Commissioner of the Department must also consider:

- the degree of risk to the claimant's health, safety, and morals;
- the claimant's physical fitness;
- the claimant's length of unemployment;
- the claimant's prospects for securing local work in the claimant's customary occupation;
- the distance of the available work from the claimant's residence; and
- other factors the Commissioner may deem pertinent.

Under the Department's rules, the claimant must be willing to work full-time, part-time, and accept temporary work during all of the usual hours and days of the week customary for the claimant's occupation.

A part-time worker may not be denied benefits for being available and applying only for part-time work. A "part-time worker" is a claimant who earned wages in at least 40 weeks in the base year and did not work more than 17 hours in any base year weeks.

Benefit Charging. Most employers pay contributions (payroll taxes) to finance unemployment benefits. An employer's tax rate is experience-rated so that the rate is determined, in part, by the benefits paid to its employees. Benefits are charged to base year employers on a pro rata basis according to the amount of wages paid to the claimant by the employer in the claimant's base year compared to the wages paid by all employers. Some benefits, such as those paid for certain good cause quits, are charged only to the separating employer.

Summary of Bill:

Good Cause Quit. The good cause quit due to death, illness, or disability is modified to include the reason that care for a child or vulnerable adult in the claimant's care is inaccessible. In addition, the death, illness, or disability must be of a family member, not limited to an immediate family member. The condition that the claimant pursued all alternatives to preserve his or her employment status is changed to require that the claimant made reasonable efforts to preserve his

or her employment status. Reasonable efforts include requesting changes in working conditions or work schedule that would accommodate the death, illness, disability, or caregiving inaccessibility.

An alteration in the claimant's usual work shifts to make care for a child or vulnerable adult in the claimant's care inaccessible is added as a good cause quit.

Benefits for a claimant qualifying for a good cause quit under these new provisions are charged only to the separating employer.

<u>Suitable Work</u>. The claimant's customary work shifts and the availability of caregiving for a child or vulnerable adult in the claimant's care are added factors in determining suitable work.

The suitable work that a claimant must be willing to accept if offered is work offered with reasonable notice from the employer.

Part-time work provisions are modified to remove the maximum of 17 hours per week to qualify as a part-time worker. A part-time worker is one who remains attached to the labor force by seeking part-time work in a substantial field of employment, with scheduling that is reasonably available in the claimant's local labor market. The requirement of working at least 40 weeks in the base year is also removed.

Other. "Vulnerable adult" is defined by reference to abuse of vulnerable adult provisions and includes a person: 60 years of age or older who has the functional, mental, or physical inability to care for himself or herself; found incapacitated; who has a developmental disability; admitted to certain types of facilities; receiving services from home health, hospice, or home care agencies; receiving services from an individual provider; or who self-directs his or her own care and receives services from a personal aide.

Obsolete language is removed, language is updated, and a double amendment corrected.

The provisions apply, generally, beginning October 7, 2018.

Appropriation: None.

Fiscal Note: Requested on February 9, 2018.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.