

# HOUSE BILL REPORT

## HB 1487

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**As Reported by House Committee On:**  
Labor & Workplace Standards

**Title:** An act relating to unemployment insurance systems enhancements, including creating a reserve force of unemployment claim adjudicators, effective and equitable claims processing, and transparent performance metrics.

**Brief Description:** Concerning unemployment insurance systems enhancements, including creating a reserve force of unemployment claim adjudicators, effective and equitable claims processing, and transparent performance metrics.

**Sponsors:** Representatives Bronoske, Berry, Wicks, Fitzgibbon, Lovick, Kirby, Santos, Shewmake, Lekanoff, Leavitt, Senn, Paul, Peterson, Sells, Ramel, Callan, Valdez, Tharinger, Ormsby, Chopp, Harris-Talley, Berg and Pollet.

**Brief History:**

**Committee Activity:**

Labor & Workplace Standards: 2/10/21, 2/12/21 [DPS].

**Brief Summary of Substitute Bill**

- Requires the Employment Security Department (ESD) to create a training program for unemployment insurance claim adjudicators.
- Requires the ESD to implement various changes related to claims processing and provide certain data.
- Creates a legislative work group.

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### HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Sells, Chair; Berry, Vice Chair; Bronoske, Harris and Ortiz-Self.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Minority Report:** Without recommendation. Signed by 2 members: Representatives Hoff, Ranking Minority Member; Mosbrucker, Assistant Ranking Minority Member.

**Staff:** Lily Smith (786-7175).

**Background:**

The federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law on March 27, 2020. The CARES Act provided many new and extended unemployment insurance (UI) benefit programs, which the Employment Security Department (ESD) administers.

One program under the CARES Act was the Pandemic Unemployment Assistance Program, providing UI benefits to self-employed individuals, workers with insufficient work history, and others who are not eligible for regular state UI benefits. Another program was the Federal Pandemic Unemployment Compensation (FPUC) program, which provided an additional \$600 per week of benefits. The FPUC program expired at the end of July 2020. The Lost Wages Assistance (LWA) program was authorized through a presidential memorandum signed on August 8, 2020. The LWA program provided an additional \$300 per week of benefits for the weeks ending August 1 through 29 and September 5.

Many of the federal CARES Act programs continue through the Continued Assistance for Unemployed Workers Act, which was signed into law on December 27, 2020, for weeks of unemployment after 2020 through March 14, 2021.

During the COVID pandemic, UI claims, including claims under the new federal programs, increased substantially. The ESD hired and trained new staff to process claims, including members of the National Guard.

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**Summary of Substitute Bill:**

The ESD must implement various changes and plans related to claims processing.

Training Program.

The ESD must create an annual training program to train qualified persons to perform as unemployment insurance claim adjudicators in a reserve capacity. Among other requirements, the program must be of sufficient quality that persons completing the training and any required continuing education would be ready to work as a UI claim adjudicator within one week of commencing employment with the ESD.

The Office of Financial Management must collaborate with the ESD to provide opportunities for state employees, who meet the minimum qualifications to work as UI claim adjudicators, to participate in the annual trainings.

The ESD must provide an annual report to the Legislature on the number of persons with current adjudicator certifications.

#### Claims Processing.

The ESD must use plain, tested language in letters, alerts, and notices. Determinations and redeterminations must clearly convey:

- applicable statutes and explanations of law; and
- an outline of relevant facts, reasoning, decision, and result.

The ESD must provide translation of notices sent to claimants into any of the top 10 languages used in the state.

The ESD will work with an advisory committee to explore establishing:

- thresholds that trigger automatic adjustments in staffing; and
- a pilot to establish a caseworker approach.

The ESD must dedicate a toll-free number for certain claimants.

#### Public Information.

The ESD must maintain an online data dashboard, and provide quarterly reports with performance metrics that include claims data, claims center phone statistics, staffing ratios, overpayment data, and other information.

#### Planning.

The ESD may consult with other agencies to further its economic cycle plan and build a cross-agency plan. The ESD must conduct emergency economic conditions drills.

#### Legislative Work Group.

A legislative work group is created until December 1, 2022. The ESD must meet with the work group and provide information regarding implementation of the bill, any new federal funds or programs, and other research as requested.

#### **Substitute Bill Compared to Original Bill:**

The substitute bill modifies the requirements that the ESD establish certain thresholds to trigger staffing adjustments and pilot a caseworker approach, to a provision that the ESD will work with an advisory committee to explore establishing thresholds and a pilot caseworker approach.

The translation the ESD must provide is specified to be of notices sent to claimants as part of their claims.

The requirement that the ESD collaborate with other agencies on certain plans is modified

to a provision that the ESD may consult with other agencies, within existing resources.

A legislative work group is created through December 1, 2022, with which the ESD is to meet and provide progress reports and other information.

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**Appropriation:** None.

**Fiscal Note:** Requested on February 8, 2021.

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

**Staff Summary of Public Testimony:**

(In support) This bill will help the ESD with its adjudicator workforce and to implement clear communications. It is a timely fix. Many claims require some human judgment, and this would reinforce the critical parts of the claims process. Creating a trained staffing pool will help ensure the next recession does not overwhelm the system. Reforms are necessary to provide long-delayed and desperately benefits. Currently, claimants do not have access to meaningful assistance to navigate confusing questions and potential errors that can result in endless delays. Currently, those with more resources get a better outcome in navigating the UI system. Unclear communications further clog the phone lines. During the pandemic, thousands of people were using the system for the first time. There are still issues in claims processing even after 11 months of the current crisis.

(Opposed) None.

**Persons Testifying:** Representative Bronoske, prime sponsor; Anne Paxton, Unemployment Law Project; Mara Child; Aquina Phillips, Ty Jones, Alice Loh, and Jill Smith, Working Washington; and Joe Kendo, Washington State Labor Council, American Federation of Labor and Congress of Industrial Organizations.

**Persons Signed In To Testify But Not Testifying:** None.