FINAL BILL REPORT ESSB 5193

C 271 L 21

Synopsis as Enacted

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: Senate Committee on Labor, Commerce & Tribal Affairs (originally sponsored by Senators Conway, Keiser, Hasegawa and Wilson, C.).

Senate Committee on Labor, Commerce & Tribal Affairs House Committee on Labor & Workplace Standards

Background: An unemployed individual (claimant) is eligible to receive unemployment insurance benefits (UI benefits) if the individual: (1) worked at least 680 hours in the base year; (2) was separated from employment through no fault of the claimant's or quit work for good cause; and (3) is able to work, available to work, and is actively searching for suitable work. The Employment Security Department (ESD) administers Washington State's unemployment insurance program.

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 UI benefit programs, which ESD administers. One program 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 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 1st through 29th and September 5th. 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.

Senate Bill Report - 1 - ESSB 5193

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.

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

Summary: ESD must create a training program to prepare a reserve force of skilled unemployment insurance claim adjudicators. The program must:

- be open to both state and other public employees and private citizens;
- 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 ESD; and
- provide a certification of completion to participants who complete the program.

The Office of Financial Management must collaborate with ESD to assist ESD in identifying agencies with state employees, who meet the minimum qualifications to work as unemployment insurance claims' adjudicators. With agency approval, employees may attend the trainings. During high unemployment, trained and qualified state employees may be selected to assist in processing UI claims.

ESD must:

- provide a report annually to the Legislature on the number of certifications, the number of ESD employees, and the training and hiring costs;
- designate employees to assure written communications are tested and in plainly understood language. Criteria for approval must include comprehensibility, clarity, and readability. If the messaging of any letter, alert, or notice fails to meet the criteria, manual methods of producing a comprehensible version must be considered while ESD waits for their UI technology system to incorporate required modifications;
- convey statutes and explanations in determinations;
- work with an advisory committee to explore establishing threshold to adjust staffing issues and a caseworker pilot program; increasing language access; and frequency of adjudicator trainings;
- provide a toll-free number for claimants lacking computers or computer skill or with disabilities or limited English proficiency; and
- maintain an online dashboard and provide quarterly performance metrics reports

The metrics report must include updates of unemployment rates; total numbers of claims paid, amount compensated, claims denied, claims pending in adjudication, claims on which payment has been halted for review, pending appeals, appeals redetermined by ESD, and appeals sent to the office of administrative hearings; claims center phone statistics including call volume, hold times, abandoned calls, repeat calls, and all-circuits-busy messages for both claimants and employers; ratio of staff phone agents to employers and ratio of staff phone agents to claimants; number and dollar total of overpayments imposed and overpayment waiver approval rate; and the percentage of unemployed persons receiving benefits.

Senate Bill Report - 2 - ESSB 5193

By September 1, 2021, and quarterly through September 1, 2022, ESD must provide a report to legislative committees with:

- ESD's progress in implementing the act;
- any new federal programs or funds received by ESD for unemployment compensation and administration and the use of such funds;
- any software or technology issues related to claims processing;
- updates on protocols and process for protecting sensitive data; and
- other relevant information.

Legislative findings are made.

Votes on Final Passage:

Senate 48 0 House 97 0 (House amended) Senate 47 2 (Senate concurred)

Effective: July 25, 2021

Senate Bill Report - 3 - ESSB 5193