

# SENATE BILL REPORT

## SB 5427

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As Reported by Senate Committee On:  
Labor, Commerce & Tribal Affairs, February 15, 2021

**Title:** An act relating to job search monitoring.

**Brief Description:** Concerning job search monitoring.

**Sponsors:** Senators King, Holy, Keiser and Saldaña; by request of Office of the Governor.

**Brief History:**

**Committee Activity:** Labor, Commerce & Tribal Affairs: 2/11/21, 2/15/21 [DPS, DNP, w/oRec].

**Brief Summary of First Substitute Bill**

- Allows the Employment Security Department (ESD) to direct the required evidence of job search activities for unemployment insurance claimants until December 31, 2023.
- Removes the requirement for in-person job search activities beginning on January 1, 2024.
- Requires ESD to report to the Legislature detailing the impacts of any flexibilities utilized in claimant job search methods, monitoring, and outcomes.

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### SENATE COMMITTEE ON LABOR, COMMERCE & TRIBAL AFFAIRS

**Majority Report:** That Substitute Senate Bill No. 5427 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair, Labor; Stanford, Vice Chair, Commerce & Tribal Affairs; King, Ranking Member; Robinson and Saldaña.

**Minority Report:** Do not pass.

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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.*

Signed by Senator Schoesler.

**Minority Report:** That it be referred without recommendation.

Signed by Senators Braun and Honeyford.

**Staff:** Susan Jones (786-7404)

**Background:** An unemployed individual 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.

To ensure that following the initial application for benefits, a claimant is actively engaged in searching for work, ESD has a job search monitoring program. An individual who has received five or more weeks of benefits must provide evidence of seeking work for each week beyond five in which a claim is filed. The evidence must demonstrate contacts with at least three employers per week or documented in-person job search activities at the local reemployment center at least three times per week.

An individual who fails to comply fully with the requirements for actively seeking work loses all benefits for all weeks during which the individual was not in compliance, and the individual is liable for repayment of all the benefits.

Governor's Proclamation 20-30 and proclamation extensions suspended job search requirements in March 2020. Since then, claimants have not been required to report job search activities and ESD has not monitored job search activities.

**Summary of Bill (First Substitute):** Until December 31, 2023, ESD may direct the required evidence of job search activities to meet the intent of rigorous reemployment efforts. Beginning on January 1, 2024, the job search evidence must continue to demonstrate contacts with a least three employers per week or documented job search activities with the local reemployment centers at least three times per week. In-person job search activities are not required.

By December 1, 2022, ESD must submit a report to the Legislature that details the impacts of any flexibilities utilized in claimant job search methods, monitoring, and outcomes.

**EFFECT OF CHANGES MADE BY LABOR, COMMERCE & TRIBAL AFFAIRS COMMITTEE (First Substitute):**

- Provides that the job search evidence required by ESD must meet the intent of rigorous reemployment efforts.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** Yes.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony on Original Bill:** *The committee recommended a different version of the bill than what was heard.* PRO: Normally, UI claimants must conduct three job search activities per week, which ESD monitors. Due to COVID, the federal government allows states flexibility regarding the job search requirements. The Governor's proclamation 20-30 suspended the job search requirements in March 2020 and the Legislature passed SCR 8402 extended the proclamation until termination of the state of emergency or rescinded by gubernatorial or legislative action, whichever is first.

This bill gives ESD flexibility to reinstate job search requirements when the state of emergency ends and worksorce offices can handle the influx of customers, many of who will need education of the requirements, or when required by the federal government. This allows ESD flexibility when issues happen in different parts of the state or to allow other activities. This is supported by the Unemployment Insurance Advisory Committee.

This is a commonsense approach that will allow job search requirements to meet workers' needs in their local areas. It also the ability to change the job search activities to ones that meet the needs of job seekers that meets their needs.

OTHER: Modest flexibility is appropriate during this time. The bill could provide a little bit of direction. There is confusion currently with job search requirements. There should not be relief of requirements. ESD agreed to an amendment in the House that adds the phrase "to meet the intent of rigorous reemployment efforts." We ask that you consider the amendment.

**Persons Testifying:** PRO: Senator Curtis King, Prime Sponsor; Dan Zeitlin, ESD; Sybill Hyppolite, Washington State Labor Council, AFL-CIO.

OTHER: Bruce Beckett, Washington Retail Association.

**Persons Signed In To Testify But Not Testifying:** No one.