



STATE OF WASHINGTON  
EMPLOYMENT SECURITY DEPARTMENT

PO Box 9046 • Olympia WA 98507-9046

September 13, 2021

Mr. David Schumacher  
Director, Office of Financial Management  
P.O. Box 43113  
Olympia, WA 98504

Re: Employment Security Department – 2022 Supplemental Budget Request

Dear Director Schumacher,

Enclosed is the Employment Security Department's (ESD) 2022 Supplemental budget request. ESD requests a maintenance level adjustment to its federal funding levels to reflect expected expenditures and to replace federal American Rescue Plan Act (ARPA) funds that were expected to be distributed to Washington state. However, the United States Department of Labor (USDOL) withheld the majority of funds and ESD will only receive a small portion through a grant process. ESD requests that Coronavirus State Fiscal Recovery Funds replace the ARPA funds, as sufficient Unemployment Insurance (UI) Administrative funds are not available to make up the gap for specific legislative directives that are being implemented. Additionally, the amount of UI received by ESD has been arbitrarily reduced by USDOL for all states for UI above base funding (by 25% and 18% respectively the last two quarters).

The second maintenance level adjustment is to establish the level of full-time equivalents necessary for ESD to address the UI backlog, keep up with Paid Family Medical Leave (PFML) Caseloads, and to implement the proposed caseload step identified in ESD's September report to the Legislature on UI Caseload. We also aligned the PFML caseloads with the forecasted growth in cases, identified in the PFML September report to the Legislature on caseload and resource needs.

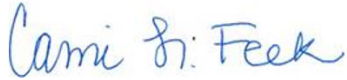
Our policy level decision packages include requesting expenditure authority to replace the WorkSource case management and labor exchange system using Employment Service Administrative Account funds. We have had repeat State Auditor's Office findings on the current system, which is due for procurement.

Our final decision package is a two-year expansion of the Economic Security for All (EcSA) Program, which supports Governor's Inslee's poverty reduction goals. For this decision package we request Coronavirus State Fiscal Recovery funds.

David Schumacher  
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If you have questions or concerns about our budget, please contact, Chief Financial Officer,  
Carole Holland, at 360-742-2581.

Sincerely,

A handwritten signature in blue ink that reads "Cami Feek". The signature is written in a cursive style with a blue color.

Cami Feek  
Commissioner