



# Unemployment Insurance Advisory Committee

## Meeting details

**Date:** Wednesday, May 12, 2021

**Time:** 10:00 a.m. to 12:00 p.m.

**Location:** Zoom

### Committee members present

- Robert Battles
- Julia Gorton
- Tammie Hetrick
- Kevin Perkey
- Cindy Richardson
- Josh Swanson
- Jerry VanderWood
- Brenda Wiest

### Committee members absent

Sybill Hyppolite

### ESD staff

- Joy Adams
- Ashlee Delaney
- Joshua Dye
- Stasha Espinosa
- Wendy Goldmark
- Gary Kamimura
- Nona Mallicoat
- Scott Michael
- Jairus Rice
- Jeff Robinson
- Brenda Westfall
- Dan Zeitlin

## **Summary**

### **Meeting Recorded**

This meeting was recorded and is available at <https://esd.wa.gov/newsroom/UIAC/recordings>.

### **Welcome and Opening Remarks**

Employment Security Department (ESD) Policy Director, Dan Zeitlin, welcomed everyone and asked Wendy Goldmark to take roll call. All committee members were present, except Sybill Hyppolite.

### **Agenda**

Dan Zeitlin reviewed the meeting agenda and asked if anyone had any questions. (See Addendum I.)

### **Meeting Minutes**

Dan Zeitlin requested that everyone review the meeting minutes for April 9, 2021 and provide their feedback. Brenda Wiest made a motion to approve the minutes and Cindy Richardson seconded the motion. Dan asked for all members in favor to say, "Aye". All members responded, "Aye". Dan asked members that disapprove to say, "Nay". No one responded. The April 9, 2021 meeting minutes were approved.

### **UI Policy Discussion**

Dan Zeitlin opened the meeting discussion with a [slide presentation](#) and highlighted the below topics to be covered:

- UI Legislative Wrap-up, Rulemaking and Program Update
- UI Trust Fund Update
- Reemployment Strategies

Dan Zeitlin handed the meeting over to Scott Michael, Legal Appeals and Rulemaking Manager, to lead the discussion on UI legislative wrap-up, rulemaking and program update:

### **State Legislation**

#### **Bills Signed by Governor**

- SB 5061 – Governor’s unemployment insurance bill
- SB 5425 – Increasing access to extended benefits
- HB 1455 – Removing social security numbers from Department correspondence
- HB 1493 – Increasing flexibility in job search requirements

### **SB 5061: Voluntary Contribution Program**

#### **Results from 2021**

- 101 applications received (usually less than 10 applications per year)
- \$494,622.41 in contributions for the trust fund
- 12 applications denied:
  - 8 applications did not include any payment
  - 3 applications were postmarked after March 30
  - 1 application had a payment amount that did not match the amount of requested relief
- Top industries that applied:
  - NAICS 541 – Professional, Scientific and Technical Services (12 applications)

- NAICS 238 – Specialty Trade Contractors (10 applications)
- NAICS 722 – Food Services and Drinking Places (10 applications)
- NAICS 236 – Construction of Buildings (8 applications)

**SB 5061: Report to Legislature and Governor****Due December 1, 2021**

- Status of the Unemployment Trust Fund
- Impact of minimum weekly benefit amount increase
- Amount of wages subject to tax

**UIAC Engagement**

- Must be discussed at minimum of 2 meetings.
- Must include committee members response.

**State Legislation****Bills to Be Signed**

- HB 1320 – Changing definitions of domestic violence in July 2022
- SB 5190 – Unemployment benefits for health care workers
- SB 5193 – General improvements to the unemployment program
- SB 5478 – \$500 million in benefit charge relief for employers

**Recent Rulemaking****Waiting Week**

- Adopted emergency rule stating that waiting week will be continuously waived, including the time between when the Emergency Proclamation expired in January and ESSB 5061 passed in February, as it is reimbursed by the federal government.
- Under ESSB 5061, this also means employers will not be charged for the first week of benefits paid.
- While not a rule, adopting agency policy waiving shared work benefit charging as authorized in ESSB 5061 for the same time period during which an Emergency Proclamation lapsed.

**Future Rulemaking****Upcoming Rulemaking**

- Unemployment for health care workers (SB 5190)
- Reporting SOC Codes on quarterly reports (HB 2308)
- Job search requirements (HB 1493)
- Expedited rules on job refusals and extended benefits (SB 5425)

**Other Rulemaking Activities**

- Rules officially proposed on “Hours of Availability” (Hearing June 22, 2021)

Dan Zeitlin handed the meeting over to Joy Adams, UI Quality Assurance and Operation Manager to continue the discussion:

**Potential New Claim Implementation**

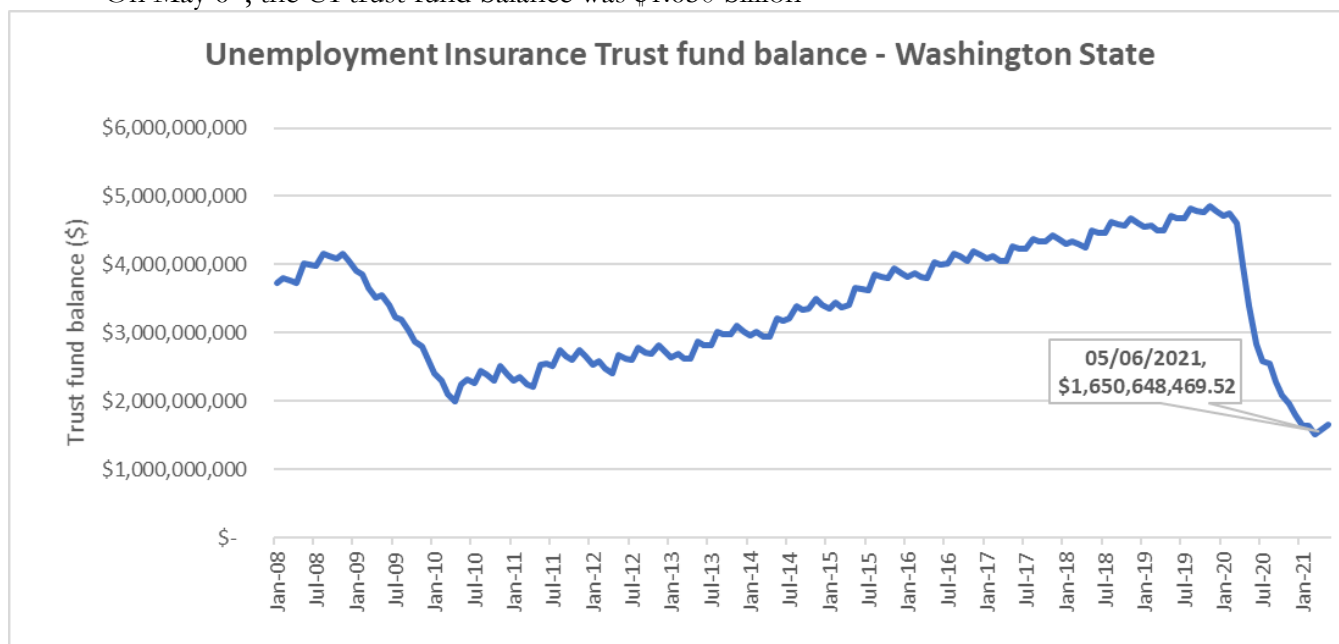
- Federal law requires claimants to undergo regular checks for eligibility for a new UI claim (e.g. quarterly review of new wages).

- ESD’s last quarterly check created significant customer service issues. As a result, we paused the checks until those problems could be resolved.
- We will be reinstating those checks in the near future, with communications to all affected claimants and stakeholders about what to expect and next steps.

Joy Adams handed the meeting back to Dan Zeitlin to continue the discussion:

### Unemployment Insurance Trust Fund

- On May 6<sup>th</sup>, the UI trust fund balance was \$1.650 billion



### Months of Benefits Calculation (5/6/21)

**Trust Fund Balance:** \$1.65 billion

**Total Wages:** \$196 billion

**Reserve Ratio (RR):**  $\left(\frac{\$1.65 \text{ billion}}{\$196 \text{ billion}}\right) * 100 = 0.84$

**Average High-Cost Rate (AHCR):** 2.44

**Months of Benefits:**  $\left(\frac{0.84}{2.44}\right) * 12 = 4.1 \text{ Months of Benefits}$

### Reemployment Strategies

- Workforce System Overview
- Re-employment Strategies Discussion

Dan Zeitlin handed the meeting over to Gary Kamimura, Manager, Workforce Policy to provide an overview of the UI workforce system.

### **Wagner-Peyser “Portal” for UI Claimants**

- The state is federally required to provide free Wagner-Peyser Employment Services to UI claimants.
- The Wagner-Peyser Act, as amended by WIOA, states that the Secretary of Labor shall:

“... ensure, for individuals otherwise eligible to receive unemployment compensation, the provision of reemployment services and other activities in which the individuals are required to participate to receive the compensation.”

”... from time to time certify to the Secretary of the Treasury for payment to each State which is found to have coordinated the public employment services with the provision of unemployment insurance claimant service...”

*Source: Wagner-Peyser Act of 1933, Sections 3(c)(3) and 5(b)(2)*

### **UI Claimants and Wagner-Peyser Services**

- In turn, States are required to use their Wagner-Peyser grants on services like:

“... job search and placement services to job seekers, *including unemployment insurance claimants*, including counseling, testing, occupational and labor market information, assessment, and referral to employers ...”

“... the *work test* for the State unemployment compensation system, including making *eligibility assessments*, and providing job finding and placement services *for unemployment insurance claimants* ...”

“... providing *unemployment insurance claimants* with *referrals to, and application assistance for, training and education resources and programs* ....”

*Source: Wagner-Peyser Act of 1933, as amended, Sections 7(a)(1), 7(a)(3)(F), and 7(a)(3)(G)*

### **Clarified Through Federal USDOL Guidance**

- Training and Employment Guidance Letter (TEGL) 04-15 (WIOA One-Stop System Vision):
  - Identifies UI as a required WIOA one-stop partner program (key part of WorkSource system).
- TEGL 16-16 (One-Stop Operations Guidance for the American Job Center Network):
  - Requires one-stop (WorkSource) outreach and intake of UI claimants likely to exhaust benefits through WPRS or RESEA (Worker Profiling and Re-employment) and delivery of meaningful assistance to individuals seeking to file UI claims.
- TEGL 19-16 (WIOA Title I-B and Title III Services for Adults and Dislocated Workers):
  - Requires Title III Wagner-Peyser Employment Services staff to serve UI claimants.
- UIPL 14-18 (UI and Workforce Innovation and Opportunity Act of 2014):
  - Identifies UI as a required one-stop program, the types of UI services that must be available in one-stops (e.g., meaningful assistance), and the obligations of UI related to local workforce

development boards, integrated service delivery, memoranda of understanding, and one-stop infrastructure cost sharing.

- Addresses role of Worker Profiling and Reemployment Services (WPRS) and Reemployment Services and Eligibility Assessment (RESEA) – in Washington we use RESEA instead of WPRS.

### **Access to WIOA Through WorkSource**

- UI claimants enter the WIOA one-stop system (WorkSource) through the Title III Wagner Peysers program for reemployment services.
- They can then access other one-stop system partner program services if their assessed barriers to re-employment warrant referrals and they are eligible.
- What are those other core and required partner programs?
  - Core: Title I (Adult, Dislocated Worker and Youth, YouthBuild, Jobs Corps, Native American Program, National Farmworker Jobs Program); Title II (Adult Education and Literacy); Title IV (Vocational Rehabilitation)
  - Required: Trade Adjustment Assistance, Jobs for Veterans State Grant, Senior Community Services Employment Program, Perkins Career and Technical Education, Temporary Assistance for Needy Families, Community Service Block Grant, Supplemental Nutrition Assistance Program E&T Program, Housing and Urban Development E&T Program.

*Source: TEGs 34-15 and 16-16*

### **RESEA: UI Portal to the WorkSource System**

- Reemployment Services and Eligibility Assessment or RESEA is an optional federal UI grant for which states must annually apply.
- RESEA is designed to lower the duration of unemployment and improper UI payments by getting claimants reemployed through “case-managed” assessments, plans, and referral to services.
- In Washington, it is administered and operated by ESD with service delivery in local WorkSource offices.
- Washington RESEA grants have been about \$11M-12M/year; DOL moving to formula allotment.
- Claimants with a work search requirement are assigned a profile score, prioritized for service based on the score, mandated to schedule at least one initial and one follow-up appointment and then as many follow-up appointments as needed.
- Metrics: reemployment rate, UI claim duration, and improper UI payment rate + evaluation

## A Claimant's Journey in Washington

File a UI claim and become approved for benefits

Get referred to the RESEA program and services

Access to other WIOA programs and services

Gary Kamimura handed the meeting over to Jairus Rice, Director of Employment Connections, to lead the discussion on re-employment strategies:

### Virtual Support Has Been Ongoing

- WorkSource Specialists have remained available and are serving customer virtually by phone, web chat and WEBEX.
- Virtual Workshops and Trainings
  - Almost 11,000 job seeker customers attended over 1800 virtual job search workshops between April 2020 and March 2021. Virtual Workshops included:
    - Perfecting Applications
    - Job Search Strategies
    - Skills and Abilities
    - Resumes and Cover letters
    - Work Concepts
    - Health and Well-being
    - Communication
    - Interviewing Techniques
    - Personal Strength-Builders: Community Engagement
    - Financial Capabilities
- Workshops have been offered in English and Spanish
- Scheduling tool deploying in July 2021

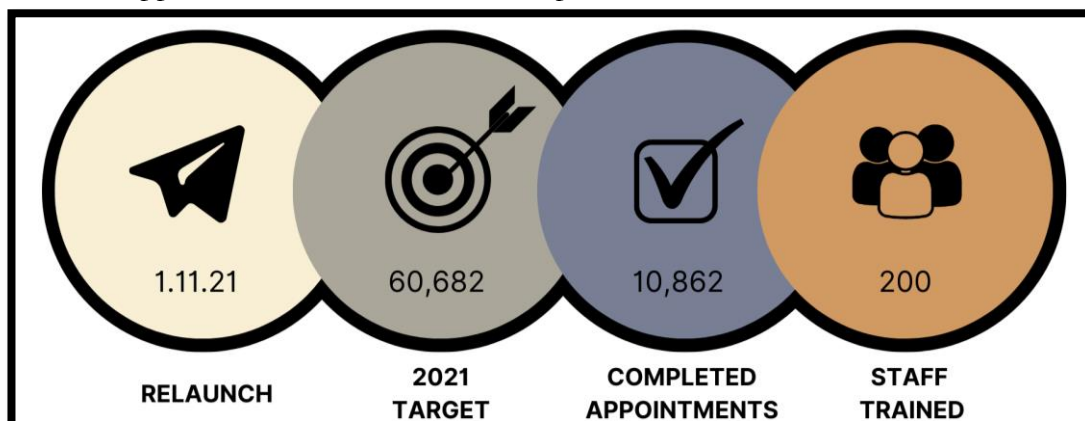
### Virtual Job Fairs

- The WorkSource partnership began offering virtual job fairs in May 2021.
- This has been a new experience for both employers and job seekers, but over time they are becoming more comfortable with the platform.
- Of the 60 fairs conducted, 11 have been statewide events geared toward particular industries or customer groups—remote work, veterans, aerospace, corrections, apprenticeship and manufacturing.



**Reemployment Services & Eligibility Assessment (RESEA)**

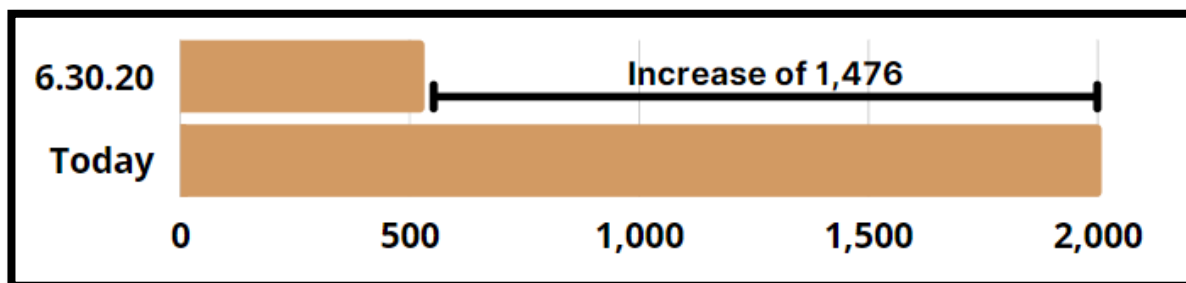
- After suspending RESEA services in 2020, the RESEA team provided intensive refresher training to over 200 staff, preparing them to provide customized reemployment services.
- RESEA was relaunched on January 11, 2021, focusing on helping UI claimants become more employable and working with them to think about life beyond COVID.
- Since the RESEA relaunch, 96% of UICS customers who receive a RESEA letter schedule and attend their appointment with a WorkSource Specialist.



**Trade Adjustment Assistance (TAA)**

- 25 Washington companies have been TAA certified since July 1st, 2020, resulting in approximately 3472 workers being eligible for TAA services.
- Almost four times as many customers have enrolled and are being served in the TAA program now, as compared to the end of FY20.





- 611 TAA enrollees have approved training plans with an additional 80 under review.

### Preparing Facilities for In-person Services

- Installed COVID safety items
  - spit shields
  - modified floorplans to accommodate social distancing
  - Improved signage
  - Stocked cleaning/disinfecting equipment
- Installing screening kiosks for staff and customers to use at check-in
- ESD’s Safety and Facilities Plan received OFM approval
- Surveyed staff on availability to return to in-person service

Keven Perkey commented that turning back on work search will benefit those engaging with the system. He expressed support for turning work search on now. Noting businesses looking to hire individuals. Where are they?

Bob Battles echoed Kevin Perkey’s sentiment asking if the governor is looking to reinstate job search and whether ESD sees that happening now?

ESD conveyed that turning work search back on is being discussed.

Jairus Rice handed the meeting back to Dan Zeitlin to continue chairing the meeting.

### Action Items

- Explore ways to link job seekers with employers on a large scale in addition to RESEA.
- Expand language access to include French, Creole, Vietnamese, Cantonese, Korean, Somali, et al. Add dedicated access tab at top of website homepage for language assistance.
- Review how ESD system operates in local areas. Provide overlay to understand regions and top ten employers, with strategies. Twelve boards set local strategy that is unique to each region, local areas.
- Lobby for federal program expansion.
- Define what the legislature can do to help claimants e.g., return to work bonuses using COVID funds, not trust funds.
- Policy menu listing what other states are using (in-box and out-of-box) for getting claimants reemployed.

- Workforce Recovery Plan – are all of our goals aligned and what needs to be tweaked. It has never been done before to this scale.

ESD committed to reviewing action items and returning to this topic.

**Next Agenda Discussion**

- Work Search/Potential New Claim (PNC)
- SB 5061 Report (Trust Fund/Minimum WBA/Taxable Wage Base)
- Budget 101

**Public Comments**

None

**Adjourned**

Dan Zeitlin thanked everyone for their continued active participation and for their commitment to this work, then ended the meeting at 11:59 a.m.

**Next meeting**

The next Unemployment Insurance Advisory Committee meeting is on Wednesday, June 9, 2021 from 10:00 a.m. to 12:00 p.m. via Zoom.

## Addendum I

### Agenda

#### Unemployment Insurance Advisory Committee (UIAC)

Wednesday, May 12, 2021 | 10:00 am – 12:00 pm | Via Zoom

#### Agenda Items

Time	Topic
10:00 am	Welcome from Dan Zeitlin, Director of Policy, Data, Performance & Integrity (PDPI) Division, Employment Security Department (ESD) <ul style="list-style-type: none"> <li>o Agenda Review</li> </ul>
10:05 am	Approval of April 9, 2021 Meeting Minutes
10:10 am	Legislative Wrap-up and Rulemaking Update <ul style="list-style-type: none"> <li>o Dan Zeitlin, PDPI Director, ESD</li> <li>o Scott Michael, Legal Appeals and Rulemaking Manager, ESD</li> <li>o Joy Adams, UI Quality Assurance and Operations Manager, ESD</li> </ul>
10:40 am	UI Trust Fund Update <ul style="list-style-type: none"> <li>o Dan Zeitlin, PDPI Director, ESD</li> <li>o Jeff Robinson, UI Research and Forecasting Manager, ESD</li> </ul>
10:50 am	Break
11:05 am	Reemployment Strategies <ul style="list-style-type: none"> <li>o Dan Zeitlin, PDPI Director, ESD</li> <li>o Gary Kamimura, UI Workforce Policy Manager, ESD</li> <li>o Jaius Rice, Employment Connections (EC) Director, ESD</li> <li>o Nona Mallicoat, EC Strategic Operations Manager, ESD</li> </ul>
11:50 am	Next Agenda Discussion <ul style="list-style-type: none"> <li>o Dan Zeitlin, PDPI Director, ESD</li> </ul>
11:55 am	Public Comments
12:00 pm	Adjourn

For more information, please visit the UIAC website at <https://esd.wa.gov/newsroom/UIAC>

#### RECORDING DISCLAIMER:

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