PROPOSED RULE MAKING



CR-102 (June 2024) (Implements RCW 34.05.320)

Do **NOT** use for expedited rule making

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DATE: August 20, 2025

TIME: 8:42 AM

WSR 25-17-090

| Agency: Employment Security Department | | | | | | | |
|--|---------|--|--|----------|--|--|--|
| ☑ Original Notice | | | | | | | |
| ☐ Supplemental Notice to WSR | | | | | | | |
| □ Continuance of WSR | | | | | | | |
| ☑ Preproposal Statement of Inquiry was filed as WSR 23-11-067; or | | | | | | | |
| ☐ Expedited Rule MakingProposed notice was filed as WSR; or | | | | | | | |
| ☐ Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or | | | | | | | |
| ☐ Proposal is exempt under RCW | | | | | | | |
| Title of rule and other identifying information: WAC 192-320-071 Relief of charges to employers furnishing part-time work; WAC 192-150-115 Reduction in compensation of 25 percent or more—RCW 50.20.050(2)(b)(v); WAC 192-150-120 Reduction in hours of 25 percent or more—RCW 50.20.050(2)(b)(vi) | | | | | | | |
| Hearing location(s): Zoom | | | | | | | |
| Date: | Time: | Location: | | Comment: | | | |
| October 8, 2025 | 9:00 AM | https://esd-wa-gov.zoom.us/j/8760407926 EkwbXBb2Kazi2InFMBX.1 Meeting ID: 876 0407 9265 Passcode: 523531 One tap mobile +13126266799,,876040792 (Chicago) +16465588656,,876040792 (New York) | 265#,,,,*523531# US 265#,,,,*523531# US | | | | |
| Date of intended adop | | per 29, 2025 (Note: This | s is NOT the effective of | , | | | |
| Submit written comm | | | Assistance for persons with disabilities: | | | | |
| Name: Stephanie Frazee | | | Contact: Teresa Eckstein | | | | |
| Address: P.O Box 9046, Olympia, WA 98507-9046 | | | Phone: 360-507-9890 | | | | |
| Email: esdgpuirules@esd.wa.gov | | | Fax: 360-586-4600 | | | | |
| Fax: 844-652-7096 | | | TTY: Relay 711 | | | | |
| Other | | | Email: Teresa.eckstein@esd.wa.gov | | | | |
| Beginning August 20, 2 | | | Other | | | | |
| By October 8, 2025 at | | | By October 1, 2025 | | | | |
| Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this | | | | | | | |

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this rulemaking is to update the Department's rules to reflect changes made in Substitute House Bill 1570 (2023) regarding relief of benefit charging for part-time employers. SHB 1570 allows employers to be eligible for relief of benefit charges if they are continuing to provide part-time work in "substantially the same amount" to a claimant rather than providing part-time work only "on a regularly scheduled permanent" basis, and the individual has become eligible for unemployment insurance benefits because of loss of employment with one or more other employers.

The rulemaking will also update the Department's rules on voluntary quits for reduction in hours or compensation of 25 percent or more to reflect the nature of work for transportation network companies. The rules specify that a reduction in usual hours or compensation will be measured by comparing the region's aggregate data in past guarters to recent guarters to determine whether a driver has good cause for voluntarily quitting work for a TNC. Reasons supporting proposal: SHB 1570 (2023) incorporated transportation network companies and their drivers into the unemployment insurance system and provided more flexibility for employers who offer part-time work and are seeking relief of benefit charges. These changes require updates to the Department's rules. The approach of using aggregate data to determine a 25 percent or more in hours or compensation is necessary because, in general, drivers may work as much or as little as they choose; TNCs do not offer a certain number of hours or a specific amount of compensation. Therefore, using an individual driver's data may not show whether the total hours or compensation available to them was reduced. Comparing aggregate data from comparable guarters will provide a better picture of whether the hours and compensation available to a driver were reduced in that driver's region such that the driver had good cause to voluntarily quit. Statutory authority for adoption: RCW 50.12.010; RCW 50.12.040; RCW 50.12.070; SHB 1570, which added a new section to RCW chapter 50.04 (RCW 50.04.370) and amended RCW 50.29.021; RCW 50.20.050. **Statute being implemented:** RCW 50.29.021; RCW 50.20.050; RCW 50.04.370. Is rule necessary because of a: Federal Law? ☐ Yes ⊠ No Federal Court Decision? ☐ Yes ⊠ No State Court Decision? ☐ Yes ⊠ No If yes, CITATION: Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal Name of proponent: (person or organization) Employment Security Department Type of proponent: ☐ Private. ☐ Public. ☒ Governmental. Name of agency personnel responsible for: Name Office Location Phone Drafting Stephanie Frazee Olympia, WA 425-465-0313 Implementation J.R. Richards Olympia, WA 360-463-1079 Enforcement J.R. Richards Olympia, WA 360-463-1079 Is a school district fiscal impact statement required under RCW 28A.305.135? ☐ Yes ⊠ No If yes, insert statement here: The public may obtain a copy of the school district fiscal impact statement by contacting: Name Address Phone Fax TTY Email Other Is a cost-benefit analysis required under RCW 34.05.328? A preliminary cost-benefit analysis may be obtained by contacting: Name: Stephanie Frazee Address: P.O Box 9046, Olympia, WA 98507-9046 Phone: 425-465-0313 Fax: 844-652-7096 TTY: Relay 771 Email: esdgpuirules@esd.wa.gov

Please explain:

☐ No:

https://esd.wa.gov/newsroom/rulemaking

| Regulatory Fairness Act and Small Business Economic Impact Statement Note: The Governor's Office for Regulatory Innovation and Assistance (ORIA) provides support in completing this part. | | | | | | | |
|--|---|-------------|--|--|--|--|--|
| This rule pro | | | requirements of the Regulatory Fairness Act (see ult the exemption guide published by ORIA. Please | | | | |
| ☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted. Citation and description: | | | | | | | |
| ☐ This rule | e proposal, or portions of the proposal, is exe | • | e the agency has completed the pilot rule process | | | | |
| defined by RCW 34.05.313 before filing the notice of this proposed rule. □ This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was | | | | | | | |
| adopted by a referendum. This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply: | | | | | | | |
| | RCW 34.05.310 (4)(b) | | RCW 34.05.310 (4)(e) | | | | |
| | (Internal government operations) | Ш | (Dictated by statute) | | | | |
| | RCW 34.05.310 (4)(c) | | RCW 34.05.310 (4)(f) | | | | |
| | (Incorporation by reference) | | (Set or adjust fees) | | | | |
| | RCW 34.05.310 (4)(d) | | RCW 34.05.310 (4)(g) | | | | |
| | (Correct or clarify language) | _ | (i) Relating to agency hearings; or (ii) process | | | | |
| | , , , | | requirements for applying to an agency for a license or permit) | | | | |
| ☐ This rule | proposal, or portions of the proposal, is exe | mpt under R | CW 19.85.025(4). (Does not affect small businesses). | | | | |
| | proposal, or portions of the proposal, is exe | - | | | | | |
| | of how the above exemption(s) applies to the | • | | | | | |
| (0) 0 | | | | | | | |
| (2) Scope of exemptions: Check one. □ The rule proposal: Is fully exempt. (Skip section 3.) Exemptions identified above apply to all portions of the rule proposal. □ The rule proposal: Is partially exempt. (Complete section 3.) The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using this template from ORIA): □ The rule proposal: Is not exempt. (Complete section 3.) No exemptions were identified above. | | | | | | | |
| | ' ' ' | · · | | | | | |
| (3) Small business economic impact statement: Complete this section if any portion is not exempt. If any portion of the proposed rule is not exempt , does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) | | | | | | | |
| on businesses? | | | | | | | |
| ☑ No The Department determined that the costs associated with the rule are minor. The rulemaking implements bill changes made by SHB 1570 without imposing any additional costs to businesses. The aggregate data mentioned in the proposed rules is an aggregation of wage and hour data that TNCs are already required to report to ESD. The aggregation of existing data should impose only de minimus costs. | | | | | | | |
| ☐ Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here: | | | | | | | |
| | oublic may obtain a copy of the small busines acting: | s economic | impact statement or the detailed cost calculations by | | | | |
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Date: August 20, 2025

Name: Joy Adams

Title: Director, Employment System Policy & Integrity

Signature: