

A photograph showing the silhouettes of several people standing in a room with large windows. The sun is shining through the windows, creating a bright, hazy light. The people appear to be in a meeting or collaborative work environment.

# Unemployment Insurance ADVISORY COMMITTEE



**Employment Security Department**  
WASHINGTON STATE

# Agenda



- I. Approval of Sept. 17, 2025 meeting minutes
- II. Proposed 2026 Meeting Schedule
- III. ESSB 5041 Striking Workers
- IV. Relief of Benefit Charging
- V. Rule-making update
- VI. September Trust Report
- VII. Federal shutdown - Update
- VIII. OPMA Training in December
- IX. Public comment
- X. Adjourn

# Proposed 2026 Meeting Schedule



**Employment  
Security  
Department**  
WASHINGTON STATE

JR Richards, Insurance Services Director, ESD



# Proposed 2026 Meeting Schedule



Date	Proposed agenda items	Date	Proposed agenda items
January 30 – Friday February 20 – Friday March 20 – Friday 1:30 to 2:30	Legislative session update Rulemaking update General UI updates	September 16 – Wednesday 1:30 to 3:30	Labor Market – Economic Outlook MWBA Report UI Peak Report Rulemaking update
June 24 – Wednesday 1:30 to 3:30	Legislative Implementation Rulemaking updates	October 21 – Wednesday 1:30 to 3:30	Trust Fund Report 2027 Proposed Meeting Schedule Benefit Charging Relief – Report
August 19 – Wednesday 1:30 to 3:30	Trust Fund Report MWBA Report Agency Request Legislation Rulemaking update Agency Budget – Decision Packages	December 9 – Wednesday 1:30 to 3:30	Legislative and Government Affairs Update Governor’s Budget Trust Fund Report

# ESSB 5041 - Striking Workers



**Employment  
Security  
Department**  
WASHINGTON STATE

Marypat Meuli, Group Product Manager, ESD



# ESSB 5041: UI benefits for striking & lockout workers



- Conducted stakeholder outreach in July:
  - UIAC listening sessions
  - Focus groups
  - Union feedback
- This feedback informed our strategy for implementation:
  - Keep the experience consistent with current UI benefit flow
  - Focus on clarity and simplicity in communications
  - Communicate proactively to stakeholders
- Development on track and ready for implementation by Jan 1, 2026
- Reporting planning is underway and will be ready by Dec, 2026
- Next update will be at the December UIAC meeting



# ESSB 5041: Customer Flow



- Strike starts
- Claimants **disqualified until the second Sunday after strike start date** (8-14 days of disqual, depending on day strike starts)

January 2026						
Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
				1	2	3
4	5	6	7	8	9	10 <span>1</span>
11 <span>1</span>	12	13	14	15	16	17
18 <span>2</span>	19	20	21	22	23	24
25 <span>2</span>	26	27	28	29	30	31



# ESSB 5041: Customer Flow



- Claimant reaches second Sunday after strike begins
- Strike continues this Sunday – Saturday week
- If this is a new claim, this is the claimant’s waiting week
- If this is a reopened claim and the claimant has already served a waiting week, this is their first paid week

January 2026						
Sun.	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.
				1	2	3
4	5	6	7 1	8	9	10
11	12	13	14	15	16	17
18 2	19	20	21 Waiting Week	22	23	24
25 3	26	27	28	29	30	31





# ESSB 5041: Customer Flow



- Claimant reports being on strike by:
  1. Filing a new claim  
or  
Reopening a current claim
  2. Reporting their work history
    - For current employer where claimant is on strike, claimant chooses the separation reason “*I am on strike*”

# ESSB 5041: Customer Flow



- When the claimant first files a weekly claim, if they are participating in a strike, they will receive a letter that tells them:

The strike started on Jan. 07, 2026.

You cannot receive unemployment benefits until the second Sunday after the strike starts. This disqualification period is required by law.

**You qualify for up to six weeks of unemployment benefits** starting Jan. 18, 2026. To get these benefits you need to:

Be on strike.

and

File weekly claims.

While you are participating in this strike, you do not need to search for work.

The laws that apply are RCW 50.20.090, WAC 192-100-060 and WAC 192-180-010.

# ESSB 5041: Customer Flow



- Claimant can receive up to 6 paid weeks of UI benefits if the strike continues
- Once claimant has received 6 paid weeks of UI benefits, they will receive a disqualification letter if they file another weekly claim.

**We denied your unemployment benefits starting [Sunday date after 6 paid weeks have occurred].**

You have been paid six weeks of benefits while you were on strike. This is the maximum number of weeks you can be paid while on strike.

You do not qualify for benefits as long as you are still on strike.

The laws that apply are RCW 50.20.090 and WAC 192-100-060.



# ESSB 5041: Customer Questions



- What if I go on strike for a day? Can I still get benefits?
- Do I need to be able and available?
- Do I need to meet general eligibility requirements to get benefits or can I just be on strike?
- Does strike pay reduce my benefits?

# Relief of Benefit Charging Report Out

Stephanie Frazee, Legislation and Rules Coordinator, ESD



**Employment  
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# Relief of Benefit Charging Report out



RCW 50.12.200(2) requires the Department to report to UIAC the amount of benefits not charged to employers because the employer discharged an individual because they were unable to satisfy a job prerequisite required by law or administrative rule

## From Fourth Quarter 2024 to Third Quarter 2025

- Relief has been granted 22 times, related to claimant not having the required license or certification or failing to complete or pass a background check
- Total potential benefit charge relief across all 22 instances is \$79,086.88
  - Potential benefit charge relief = Maximum Benefits Payable X Employer's Percent of Base Year Wages

# Rule-making update



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Stephanie Frazee, Legislation and Rules Coordinator, ESD



# Rule-making update



- **CRO Filing** – We are amending our rules to clarify filing requirements with the Commissioner’s Review Office. Hearing was held on September 25. We are working on formally adopting the rules.
- **Transportation Network Companies** – We are working on rules on quitting for reduction of hours or compensation of 25% or more for TNC drivers and adding a rule on relief of benefit charges for employers who offer part-time work. Hearing was held on October 8, 2025. We are reviewing the comments.





# Rule-making update



## ESSB 5525 – Securing Timely Notification and Benefits for Laid-off Employees Act

- **Rule Governance Statement** – We have started a rulemaking to update WAC 192-01-001 to include administration of the mass layoffs program under Title 49 RCW. We filed the CR 105, and the rule change will be effective November 19, 2025, if no objections are received.
- **Use of Employee Information** – We have shared draft rule language clarifying that employee information obtained by the Department will be used to administer the Employment Security Act. We are working on the CR 102 to formally propose the rule.
- **Documentation for Exceptions** – We are drafting rule language in accordance with Section 7 of the bill, which requires the Department to adopt rules that include documentation requirements for exceptions to the notice requirement.
- **Definitions** – We are looking at terms in the bill that may benefit from further definition, such as “unforeseeable.”

# September Trust Fund Report



**Employment  
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Eve Sheng, Managing Actuary, ESD

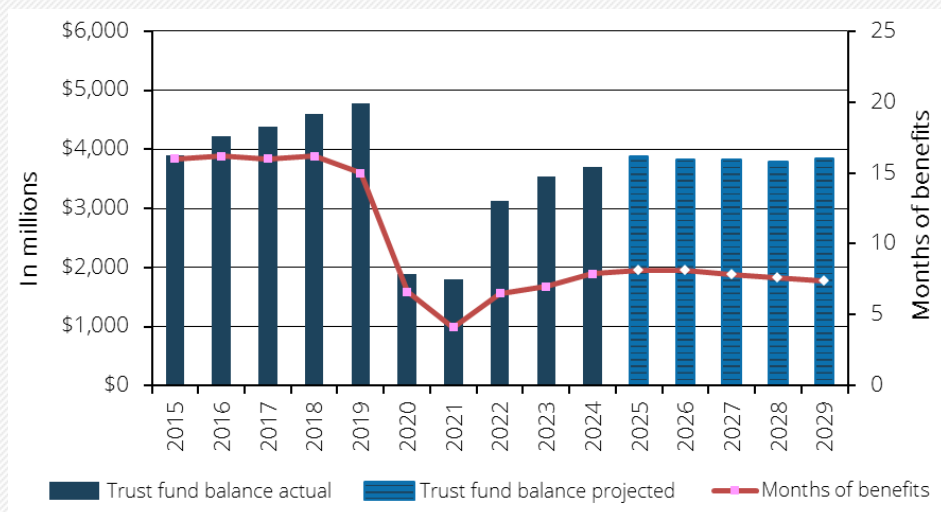


# Trust Fund Balance

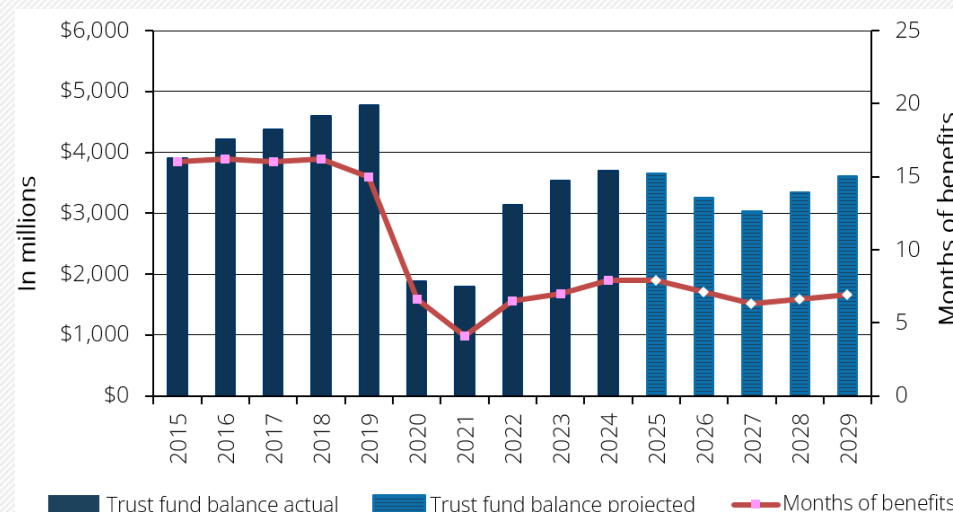


On September 30, the UI trust fund held approximately \$3.8 billion, and we project a balance of \$3.7 billion at end of 2025

## Regression Forecast (Old Model)



## Time Series Forecast (Updated Model)

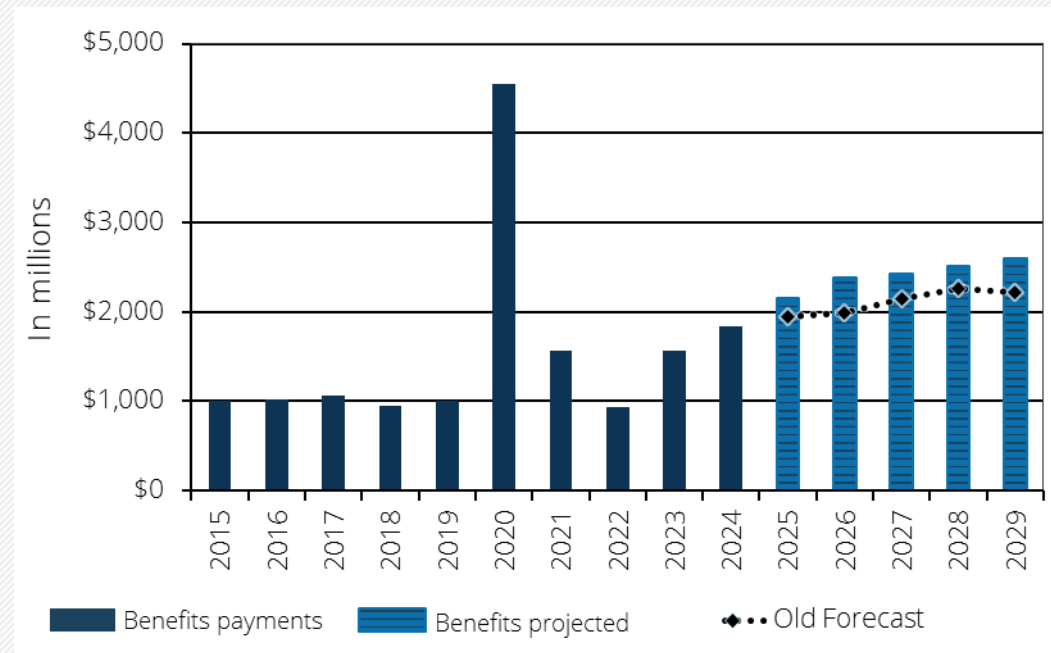




# Benefit Payments



Projected Benefit Payments	June 2025	September 2025
2025	\$ 2.1 Billion	\$ 2.2 Billion
2026	\$ 2.4 Billion	\$ 2.4 Billion

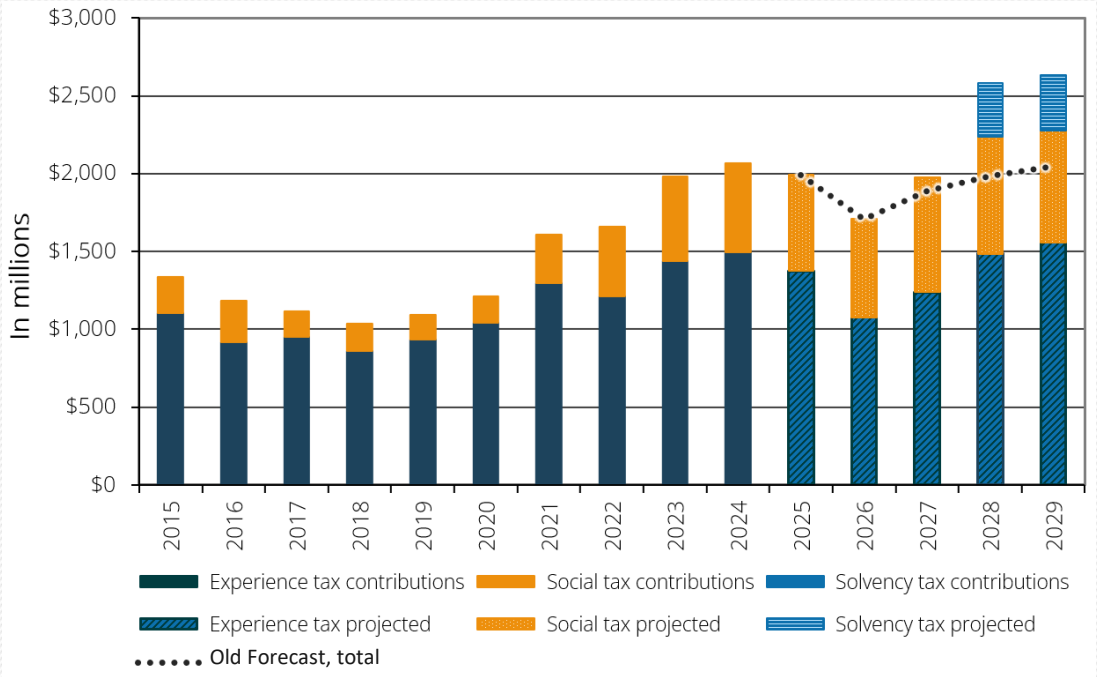




# Employer Contributions



Projected Employer Contributions	June 2025	September 2025
2025	\$1.9 Billion	\$2.0 Billion
2026	\$1.7 Billion	\$1.7 Billion





# Employer Tax Rate (Aggregated Average)



Taxes	2024	2025	2026	2027	2028	2029
→ <b>Average experience tax rate</b>	0.88%	0.76%	0.65%	0.76%	0.88%	0.88%
Experience tax contributions (millions)	\$1,496.2	\$1,374.7	\$1,077.4	\$1,237.4	\$1,485.3	\$1,559.9
Flat social tax rate	0.60%	0.60%	0.60%	0.69%	0.65%	0.60%
Social tax contributions (millions)	\$572.1	\$616.6	\$630.7	\$738.3	\$750.8	\$717.7
Solvency tax contributions (millions)	0	0	0	0	\$344.2	\$354.5
→ <b>Total average tax rate</b>	1.42%	1.26%	1.05%	1.19%	1.50%	1.48%
Total tax contributions (millions)	\$2,068.3	\$1,991.2	\$1,708.0	\$1,975.7	\$2,580.3	\$2,632.1

September trust fund report Figure 4.a.

# Federal shutdown - Update



**Employment  
Security  
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WASHINGTON STATE

JR Richards, Insurance Services Director, ESD



# Increase in unemployment claims



- 1,184 federal workers in WA state have applied for benefits through October 15
  - About 79 per day
- Represents a small percentage of all unemployment claims, but
  - They are more complex and take longer to process
- The shutdown is adding to an already increasing caseload
  - Ongoing weekly claims at 2,784,359
  - On pace to pass 2024's total of 3,270,098
- Support for federal workers
  - In partnership with Pac. Mtn. WDC, ESD is hosting a webinar for federal workers
  - WorkSource offers services for workers and contractors
  - DFI has compiled a list of financial resources for federal workers





# Largest federal employers in our state



1. US Department of Defense (civilian) – 32,579
2. US Postal Service – 11,669
3. US Department of Veteran Affairs – 10,130
4. US Department of Homeland Security – 4,879
5. US Department of Transportation – 2,282
6. Bonneville Power Administration – 1,914
7. US Department of Agriculture – 1,527
8. Social Security Administration – 1,117
9. US Department of Treasury, 1,048
10. Common Support Service Office (US Dept. of Navy) - 895

# OPMA training in December



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JR Richards, Insurance Services Director, ESD



# OPMA training in December



- The ESD Advisory Committees are subject to the Open Public Meetings Act and Public Records Act
- Open Public Meetings Act (OPMA) training is scheduled for our regular UIAC meeting on December 10
- The training will begin at Noon and lasts only 30 minutes.
- Facilitated by Washington State Office of Attorney General

# Public Comment



- If you would like to make public comment, please state your name and spell it so we can capture it correctly for the minutes, as well as the organization you represent if any.
- **Reminder:** Your comments are being recorded.
- If you would like your comments to be included in the meeting minutes, please submit them in writing via email to Camille Galeno at [camille.galeno@esd.wa.gov](mailto:camille.galeno@esd.wa.gov). *(Camille's email will be posted in the chat)*
- Please limit your comments to **two minutes**.

# Thank you

## Unemployment Insurance ADVISORY COMMITTEE



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WASHINGTON STATE

**Break  
Return at ( )**