

# Unemployment Insurance Advisory Committee (UIAC) meeting

September 16, 2026



**Employment  
Security  
Department**  
WASHINGTON STATE

# Meeting structure

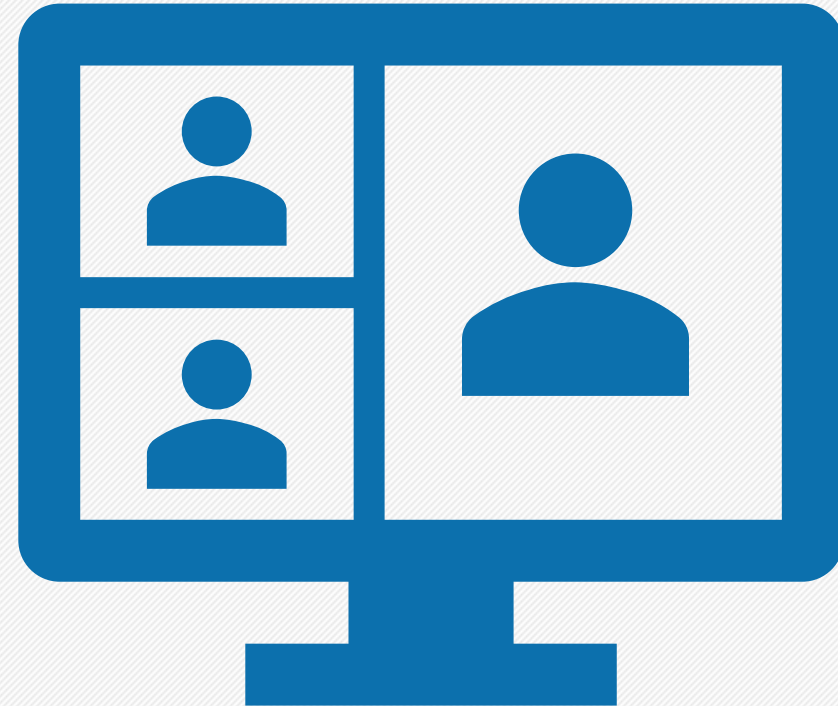


- Only Committee members and presenters will unmute during the meeting.
- We ask members of the public to hold comments until the open comment period.
- We will not review comments and questions in chat during open comment.

# Roll call



- Advisory members will confirm attendance when their name is called.



# Agenda



- I. Approval of June and August meeting minutes
- II. Introduction of new executive leadership
- III. Striking workers update
- IV. Rulemaking update
- V. Program performance
- VI. Project portfolio update
- VII. Washington's labor market update and outlook
- VIII. Public comment
- IX. Adjourn

# Approve June and August minutes



# Introduction of new executive leader

Shannon Wallace, Chief of Staff



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# Introduction of new executive leader



**Shannon Wallace**  
Chief of Staff

## Commissioner's Office

- The Commissioner's Office provides strategic direction and leadership for the Employment Security Department. They lead the agency's executive team, guide development and implementation of the strategic plan, and oversee the work of the entire department.
- Portfolio
  - Employment System Policy & Integrity
  - Labor Market Information & Research
  - Communications Office
  - Government Relations Office

# Striking workers update

Josh Dye, Government Relations Director



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# Striking workers update



## Job search requirements for workers during a strike

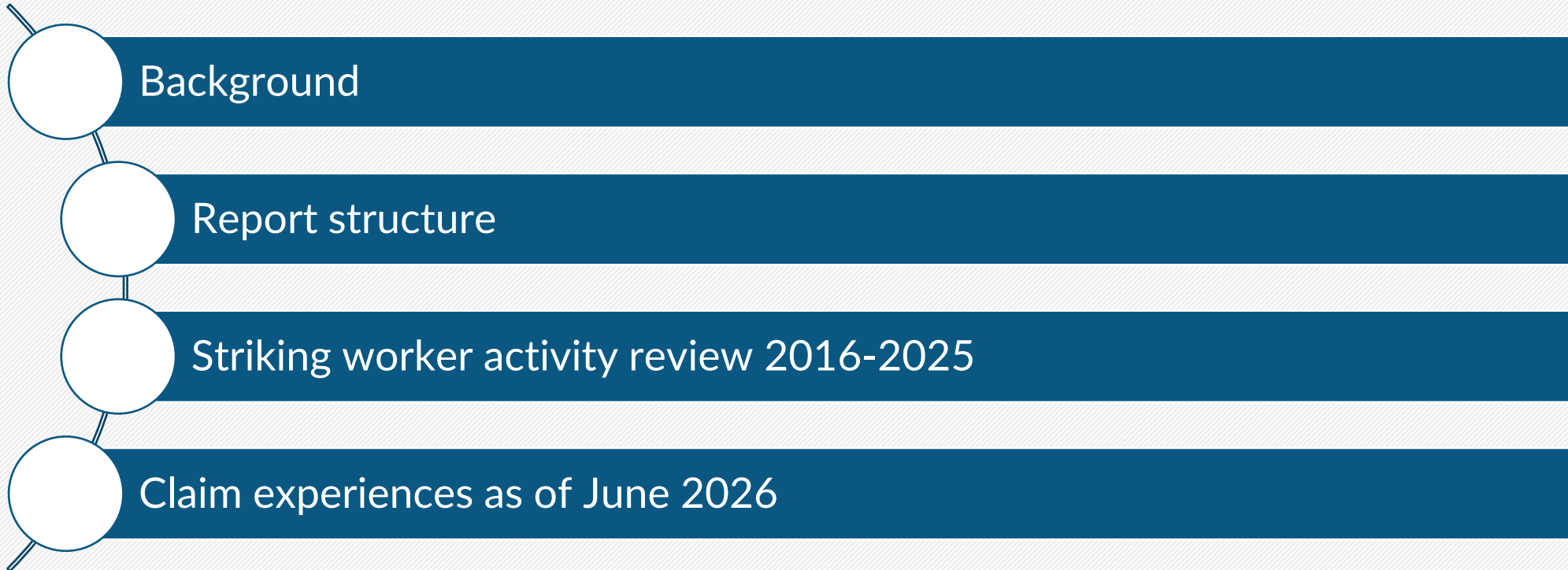
- USDOL and Employment Security began engagement regarding job search requirements
- The conversations focused on Washington's definition of 'employer attached' which would determine the need for job search. USDOL does not consider striking workers employer attached.
- Employment Security began rulemaking to update the definition
  - [Emergency rules adopted](#) Aug 21 removed striking workers from the list of 'employer attached separations'
  - The agency began [permanent rulemaking](#) on September 1
- For claims beginning Aug 23 and after, workers on strike are required to meet job search requirements

# Striking workers legislative report



Vaughn Ellis, Actuarial Analyst

# Report development



# Background



ESSB 5041

Passed in April 2025 and signed to law in May 2025



Benefits

Available from Jan. 1, 2026.

Benefits are not allowed until the second Sunday after a strike begins. Workers who qualify need to serve a one-week unpaid waiting period per benefit year.

Benefits paid up to the next six weeks of a strike.

Agency must issue an overpayment notice to recover benefits if worker gets back pay.



Annual report

Annual report to legislature

December 2026 - December 2035

# What the report will cover



Strike activity occurring within Washington since 2016, how common strikes are, which industries they occur in, and how many workers participated.



Unemployment claim experience related to strikes, including claim volumes and paid benefits by industry.



The estimated impact on employers' experience rate class and program social cost factor rate if increase incurs following strike events.



Impact on unemployment trust fund solvency on September 30 using month of benefit.

# Data sources – strike activity



## Work Stoppage Report

Covers major strikes and lockouts. Monthly data goes back to 1993.

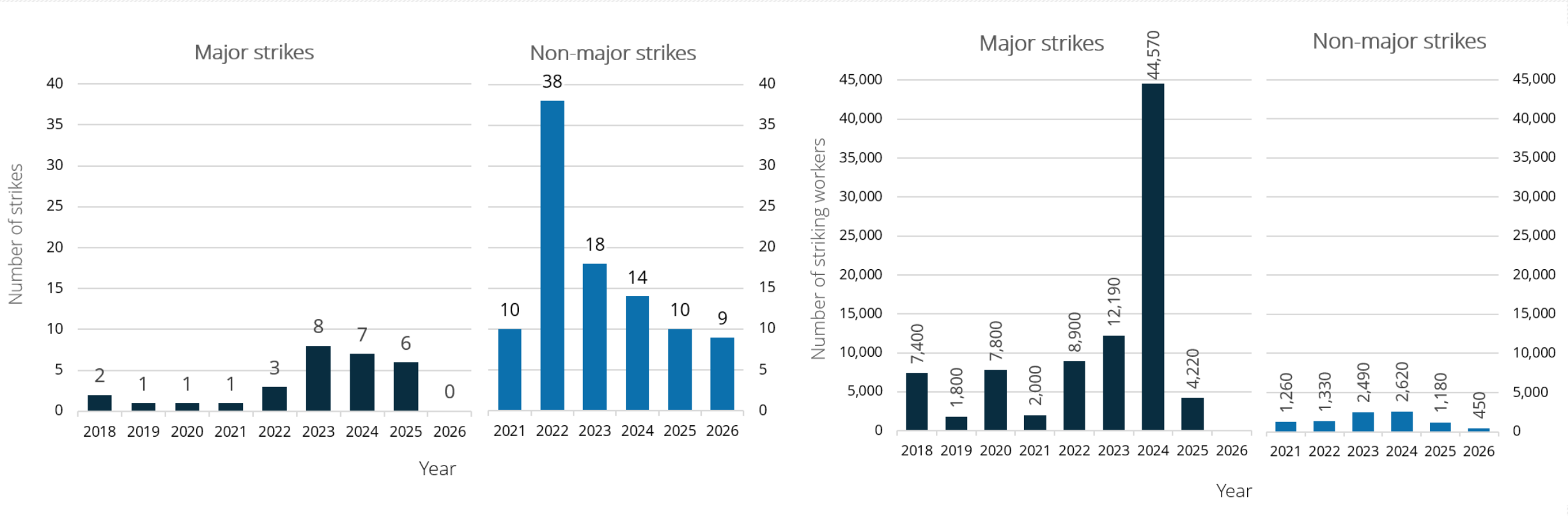
## Labor Action Tracker

Covers a wide variety of labor actions. Started in 2021.

## Others

Various local news sources and internal claims data, primarily used in data verification.

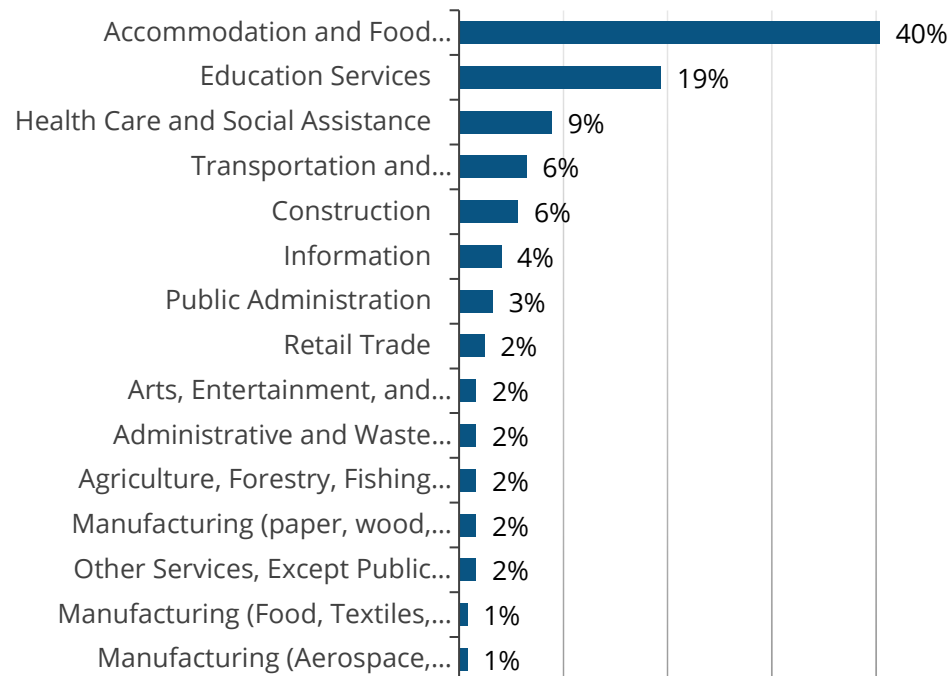
# Strike occurrence and participants since 2018



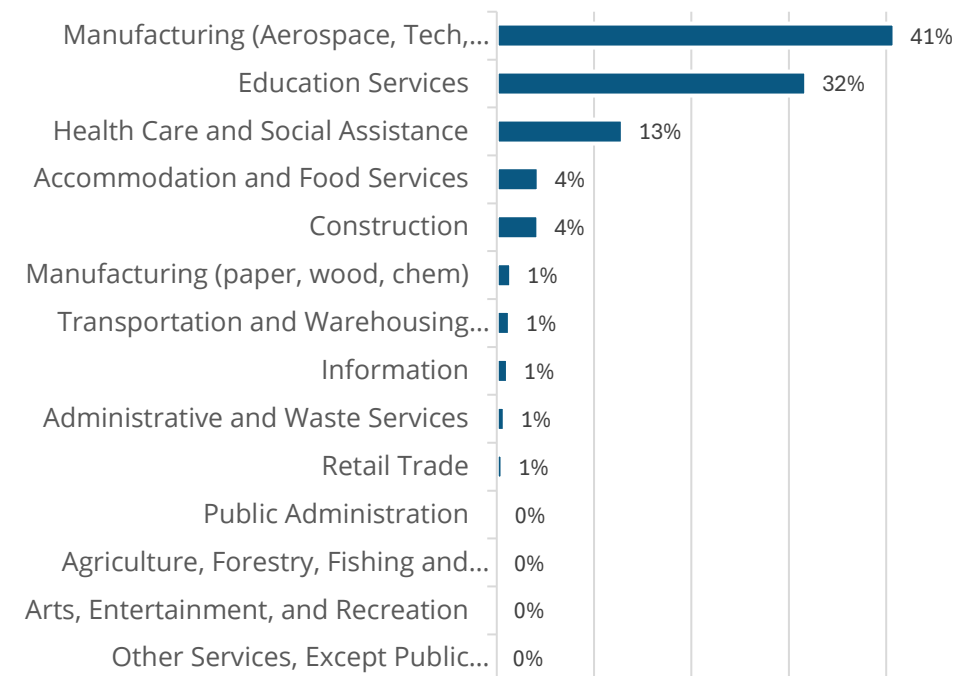
# Strike occurrence vs participants by industry, 2021 - 2025



Percentage Strike Occurance



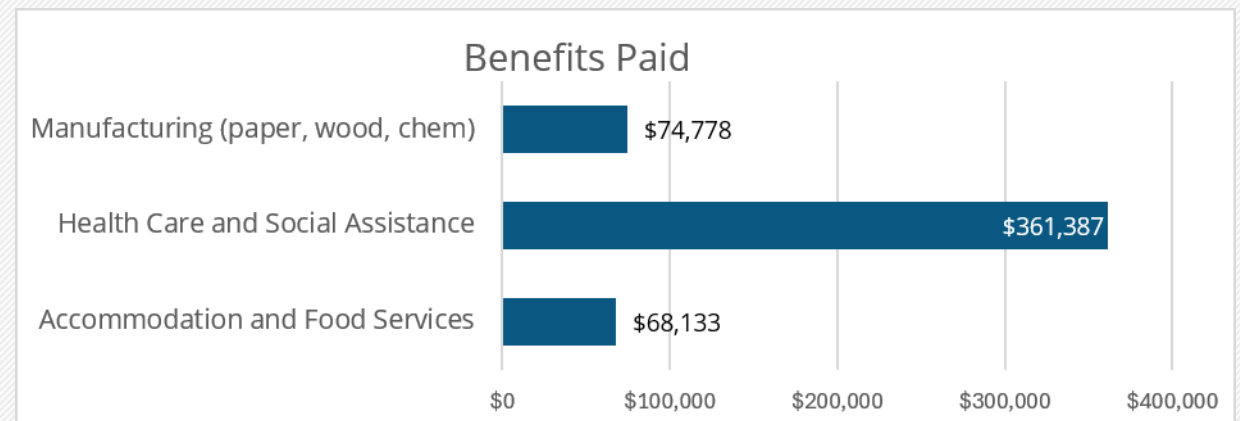
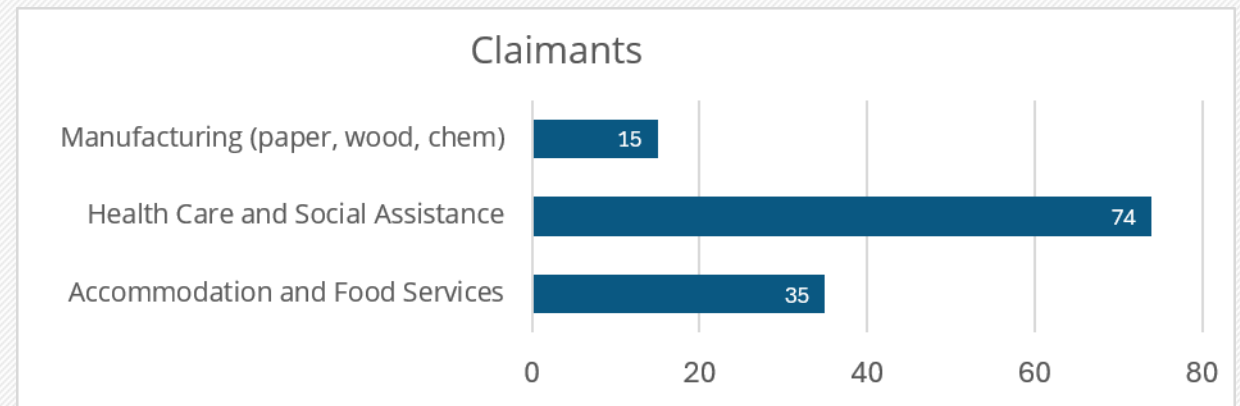
Percentage Strike Participants



# Striking workers claims activity



- ESD administrative data, Jan. 1, 2026, through June 30, 2026
- Three strikes across three employers
- Approximately \$500k paid benefits
- A total of 124 claimants



# Rulemaking update

Stephanie Frazee, Tax Policy Specialist



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# Rulemaking update



- **Documentation for exceptions** – We drafted rule language in accordance with Section 7 of ESSB 5525 (2025), the state Worker Adjustment and Retraining Notification (WARN) Act. It requires the department to adopt rules that include documentation requirements for exceptions to the notice requirement. The hearing was June 10, 2026. We filed the final rule and CR 103P Sept. 9, 2026. The rule will become effective Oct. 10, 2026.
- **Claimant register for work requirement** – We are working on updating WAC 192-180-005, which addresses claimants registering for work. We are updating the rule to state that claimants must register themselves for work. The hearing was June 11, 2026. We filed the final rule and CR 103P on Sept. 8, 2026. The rule will become effective Oct. 9, 2026.
- **Work search requirement for claimants on strike** – On Aug. 21, 2026, we filed an emergency rule requiring claimants on strike to perform approved work search activities in response to guidance received by USDOL. We filed a CR 101 to begin permanent rulemaking on Sept. 1, 2026.

# Program performance

Alex Wolter, Data Performance Manager

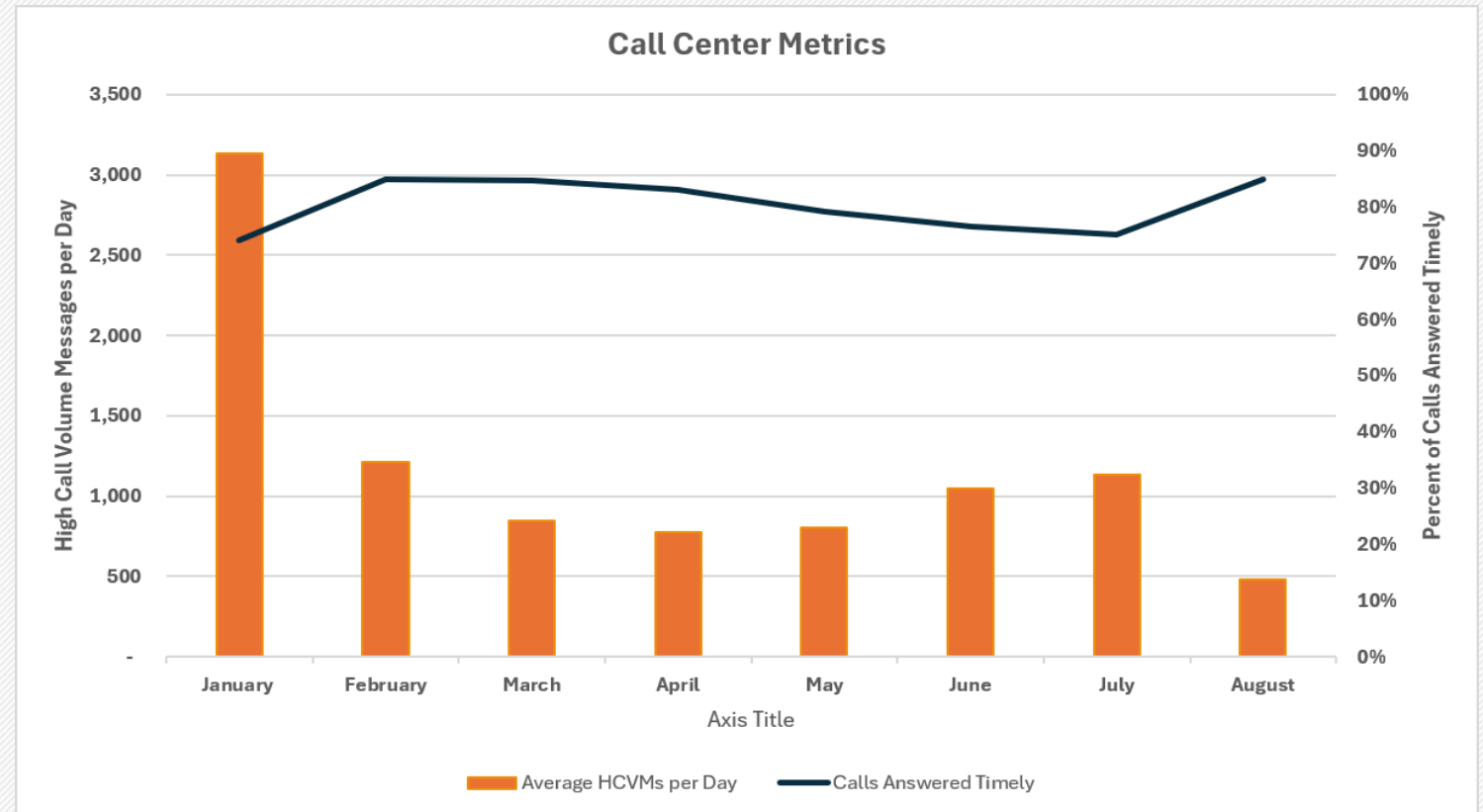


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# Program performance



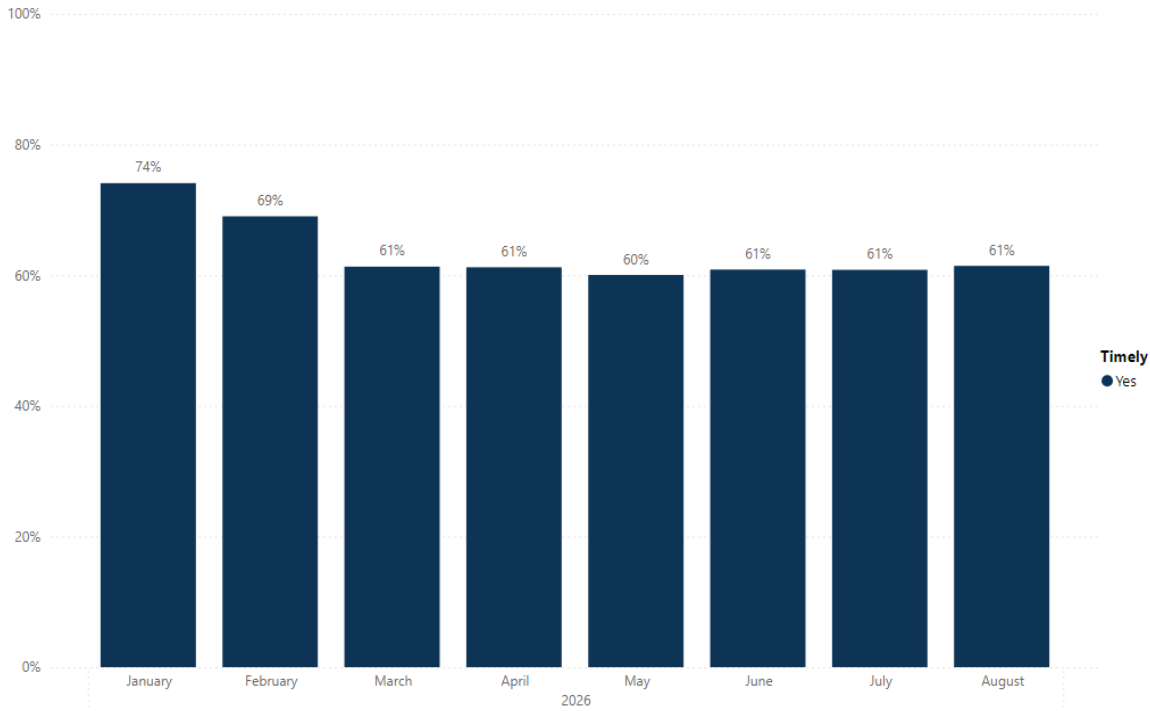
- **Department of Labor has 11 core measures used to evaluate UI programs**
  - These metrics cover a wide range of areas such as appeals, payment timeliness, decision timeliness, audit, tax quality, etc.
- **From these, ESD has defined 3 measures as our “North Star” within benefit program performance**
  - Call Timeliness
  - Decision Timeliness
  - Payment Timeliness



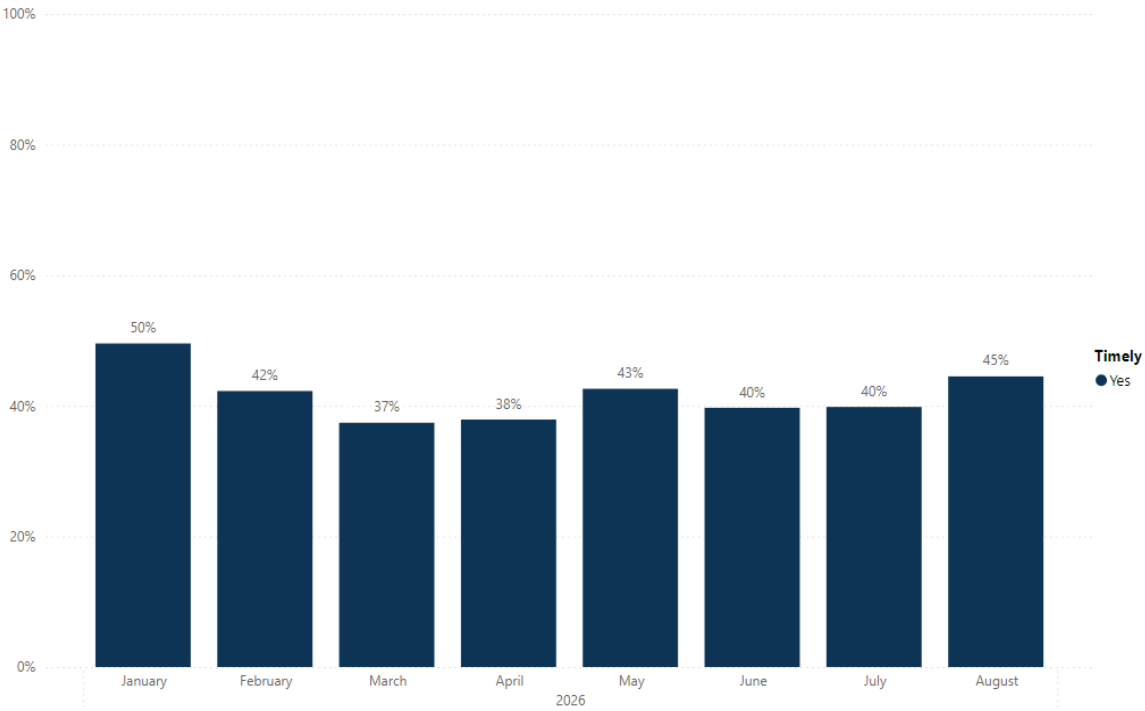
# Program performance



First Payment Timeliness



Non-Mon Timeliness



# Program priorities/portfolio update

Jen Young, Claims Center Enterprise Manager  
Denice Craig, Employer Services Manager



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# Unemployment Insurance | Portfolio Dashboard Status Report

## As of September 3, 2026

Overall Health Report Date

Close Out On Target At Risk High Risk N/A (planning) Complete

| Lvl | Project Description                                            | Theme                | Sch       | Res       | Risk      | Q1 - 2026  | Q2 - 2026  | Q3 - 2026  | Q4-2026 |
|-----|----------------------------------------------------------------|----------------------|-----------|-----------|-----------|------------|------------|------------|---------|
| 1   | <a href="#">UI Benefits/WIT registration</a>                   | Strategic enabler    | At Risk   | On Target | At Risk   | 08/25/2026 |            |            |         |
| 2   | <a href="#">DUA: Dec 2025 Floods</a>                           | Enhancement          | At Risk   | On Target | On Target | 08/30/2026 |            |            |         |
| 1   | <a href="#">Implementation of the Wildfires Proclamation</a>   | Legislative          | On Target | On Target | On Target |            |            | 10/10/2026 |         |
| 1   | <a href="#">Improve the timeliness of separation decisions</a> | Strategic Initiative | On Target | On Target | On Target |            |            | 10/31/2026 |         |
| 1   | <a href="#">2027 State Quality Service Plan</a>                | Annual               | On Target | On Target | On Target |            |            | 10/31/2026 |         |
| 2   | <a href="#">Striking Workers Phase 2</a>                       | Legislative          | On Target | On Target | On Target |            | 12/31/2026 |            |         |
| 1   | <a href="#">UI Modernization Roadmap</a>                       | Strategic Initiative | On Target | On Target | On Target | 12/31/2026 |            |            |         |
| 4   | <a href="#">One WA – NGTS Remediation</a>                      | Strategic Initiative | On Target | On Target | On Target | 10/01/2027 |            |            |         |
| 4   | <a href="#">One WA – UTAB Remediation</a>                      | Strategic Initiative | On Target | On Target | On Target | 10/01/2027 |            |            |         |

### Unemployment Insurance | Watchlist

| Project Name                                      | Project Contact | Summary                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Update how UTAB sends tax information to the IRS  | Judy Dew        | The IRS is deprecating the FIRE system which is what UTAB currently uses to send tax information to the IRS.                                                                                                                                                                                                 |
| HCA Contract replacement                          | Sam Virgil      | Identifying options to replace the HCA contract. Based on current estimates, adding an additional agency on top of what is already required would increase operational costs.                                                                                                                                |
| Call center pilot                                 | JR Richards     | Adjusting call center hours to enable focused time to work on processing claims. From noon to 4 p.m. on Tuesdays and Thursdays, claims agents will focus on processing claims. That means they will not answer the benefits phone lines during that time, including the bypass phones in WorkSource centers. |
| FAST site review                                  | Judy Dew        | FAST contractors to review current technological implementation for areas of potential improvement.                                                                                                                                                                                                          |
| NGTS data prep for One WA                         | Judy Dew        | State Agency financial data transactions within NGTS are verified for accuracy before One WA go-live, ensuring reliable State Agency billing statements.                                                                                                                                                     |
| Reimbursable audit resolution                     | Judy Dew        | Reimbursables data in NGTS has been verified as accurate so that the State Quality Service Plan (SQSP) audit findings are resolved and the records remain correct                                                                                                                                            |
| UI Peak mitigation                                | Brian Levy      | Assess areas of improvement to aid in peak mitigation, a series of smaller projects. Every work stream joins and identifies areas of efficiency gain.                                                                                                                                                        |
| Boeing dislocated grant – TB informational videos | Sam Virgil      | Utilizing funds for the Boeing Dislocated Workers Grant, developing a series of information videos on the Training Benefits process.                                                                                                                                                                         |
| WOTC Sunset risk assessment                       | Sam Virgil      | Due to the hiatus of period of WOTC, a risk assessment is being conducted to identify potentially impacted individuals and services.                                                                                                                                                                         |
| Hiring benefit specialists                        | Brian Levy      | Posted new job openings for Benefits Specialists, positions slated to close June 1st.                                                                                                                                                                                                                        |
| Employer process improvements                     | Denice Craig    | Akin to UI Peak mitigation but focused on employer services. A few areas of improvement have been identified but no action/project plan has been devised to implement said changes.                                                                                                                          |
| UI Fraud Proviso Report                           | Matt Buelow     | Write a legislatively required report regarding UI fraud. The report specifically asks for alternative solutions to fraud prevention/detection along with benefit and costs. This aspect of the proviso report will require product discovery.                                                               |



# Program priorities and portfolio update



- **Improve the Timeliness of Separation Decisions**— This project is focused on discovery.
  - Learning how separation issues move through the current UI process and identify workflow, operational and customer experience factors that drive timeliness.
- **Striking Workers Phase 2**— Implementation of enhancements, improvements and features.
  - Provide annual legislative report on prevalence of strikes in Washington State and the impact of strikes on the UI trust fund.
  - Enables system to notify claimants applying for benefits that they may receive an overpayment if they receive retroactive wages after strike ends.
  - Adds work search requirement to remain eligible when filing weekly claims.
- **UI Modernization Roadmap**— Vendor assessment of current UI technology systems.
  - Evaluate current UI technology systems and produce a comprehensive roadmap that addresses system challenges, makes recommendations for future enhancements, and identifies costs associated with the recommendations.

# Washington's labor market update and outlook



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Anneliese Vance-Sherman, Chief Labor Economist

# Labor Market Information and Research

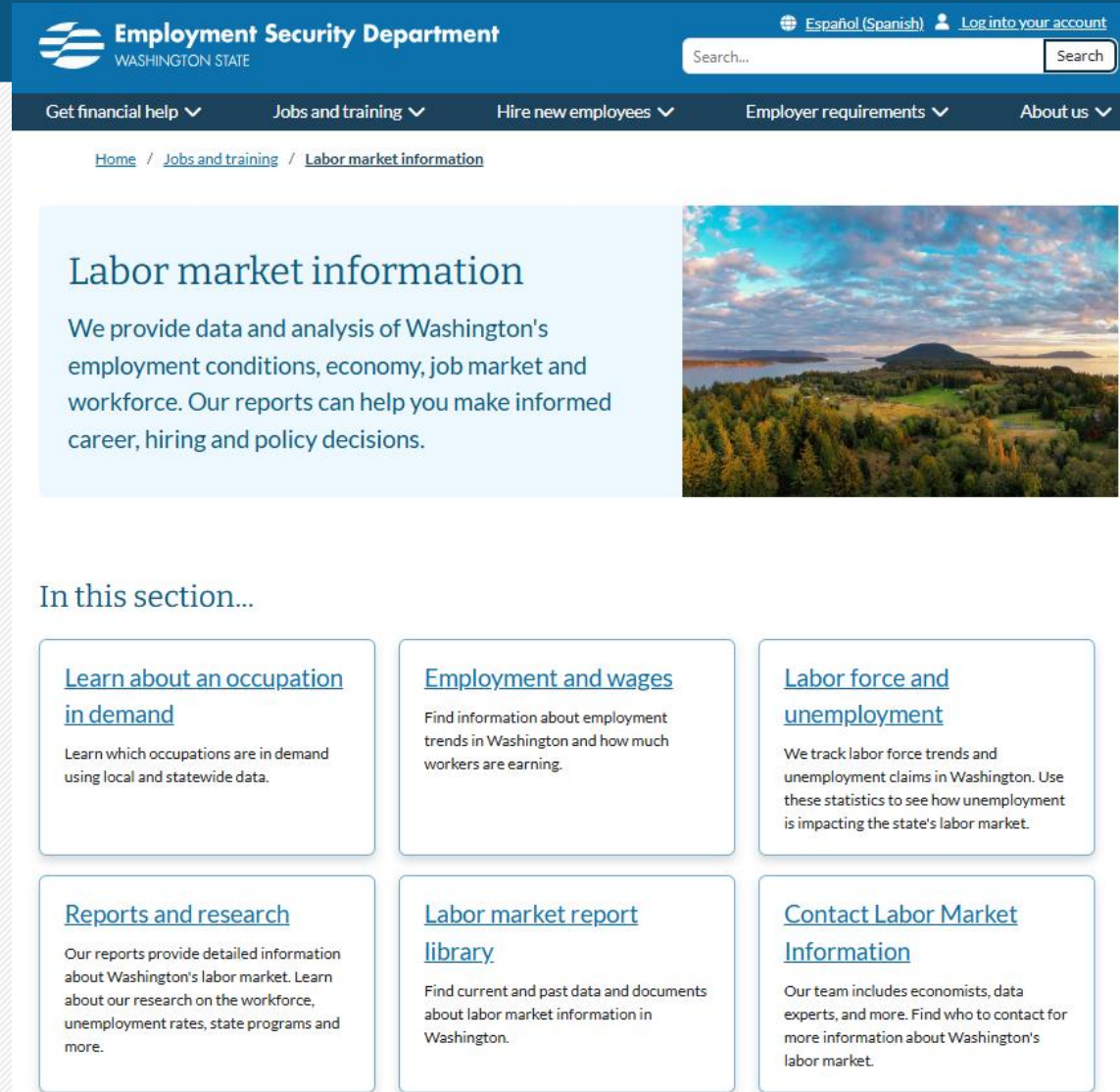


- Official source of Washington state labor market information.
- Specialize in economic analysis, research, program and policy evaluation, and risk assessment.
- Produce, analyze and share quality information for decision making.

# Labor market information website



- County profiles
- Employment estimates
- Projections
- Wages
- Labor force and unemployment
- Occupations in demand
- Contact your economist
- Research and publications
- Find all of this and more at [esd.wa.gov/labormarketinfo](https://esd.wa.gov/labormarketinfo).



The screenshot shows the website's header with the Employment Security Department logo, a search bar, and links for Spanish and account login. A navigation bar contains links for financial help, jobs and training, hiring, employer requirements, and about us. The main content area features a breadcrumb trail, a title 'Labor market information', a descriptive paragraph, and a scenic image of a forested landscape. Below this, a section titled 'In this section...' displays six cards with links to various resources: 'Learn about an occupation in demand', 'Employment and wages', 'Labor force and unemployment', 'Reports and research', 'Labor market report library', and 'Contact Labor Market Information'.

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Español (Spanish) Log into your account

Search...

Get financial help ▾ Jobs and training ▾ Hire new employees ▾ Employer requirements ▾ About us ▾

Home / Jobs and training / Labor market information

## Labor market information

We provide data and analysis of Washington's employment conditions, economy, job market and workforce. Our reports can help you make informed career, hiring and policy decisions.

[Learn about an occupation in demand](#)

Learn which occupations are in demand using local and statewide data.

[Employment and wages](#)

Find information about employment trends in Washington and how much workers are earning.

[Labor force and unemployment](#)

We track labor force trends and unemployment claims in Washington. Use these statistics to see how unemployment is impacting the state's labor market.

[Reports and research](#)

Our reports provide detailed information about Washington's labor market. Learn about our research on the workforce, unemployment rates, state programs and more.

[Labor market report library](#)

Find current and past data and documents about labor market information in Washington.

[Contact Labor Market Information](#)

Our team includes economists, data experts, and more. Find who to contact for more information about Washington's labor market.

# New!

## County profiles



- Description of local economy
- Monthly updates:
  - Labor force and unemployment
  - Industry employment
- Annual updates:
  - Covered employment and wage
  - Labor force by demographics
- Labor economist contact info

### Benton County profile

Learn about Benton County's unique labor market information including monthly unemployment and nonfarm employment statistics.

Looking for another county? Expand this drop-down menu to select another profile. +

### June 2026 highlights

Updated July 2026

Compared to May 2026, the unemployment rate decreased from 4.8% to 4.2% (4,478 unemployed individuals). Employers reported the same number of jobs on payrolls (for a total of 129,500 jobs).

### Benton County's labor market highlights

- Strong overall wage and employment growth, Benton County paid out \$6.98 billion in wages with nearly 99,000 covered jobs, averaging \$70,759 per worker, a solid indicator of a healthy, diversified labor market.
- High-wage sectors are driving the county's economy, where the professional, scientific, and technical services sector stood out with the highest average wage (\$121,269), while administrative and waste services also combined high employment (10,759 jobs) with strong wages (\$102,602).
- Employment is broad and diverse across industries including large sectors like health care and social assistance (15,658 jobs) and construction (8,277 jobs), while industries such as agriculture, food processing, energy production, and wine tourism highlight the county's wide economic base, even though some of these sectors have lower average wages.



# Payroll employment

Employment trends by industry



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# Washington's employment ecosystem 2025 (preliminary)



**Total employment: 3,586,164**

## Top 3 sectors by employment:

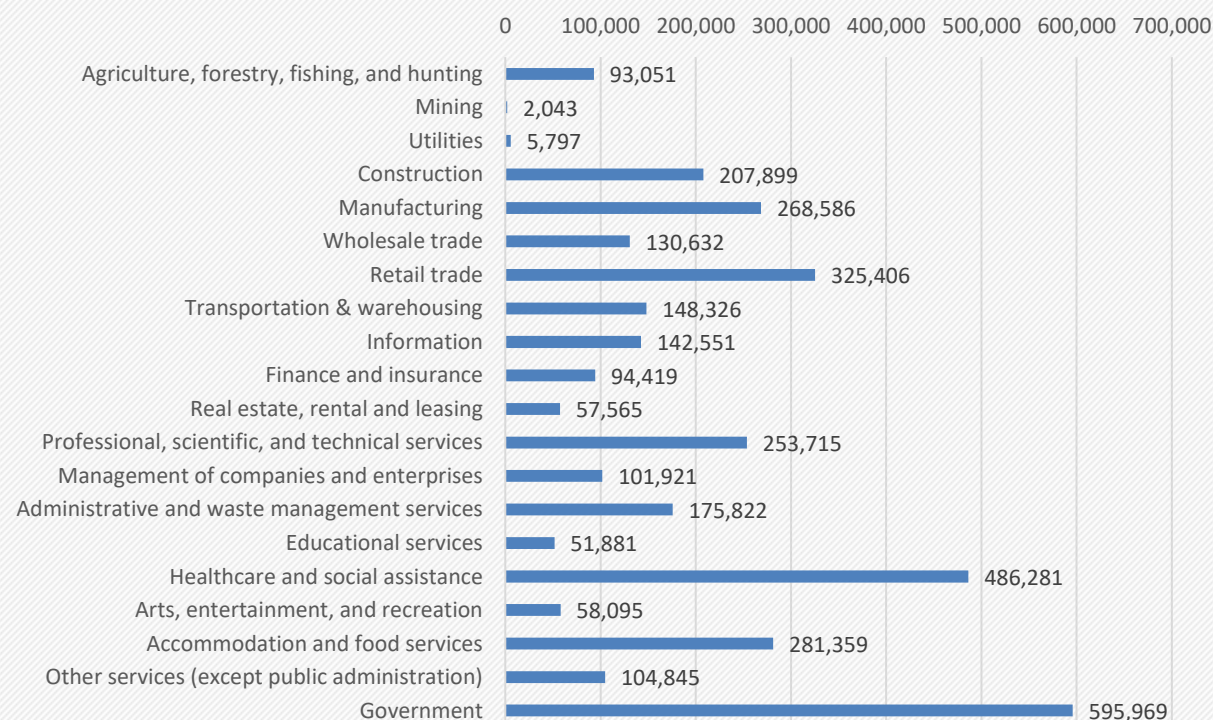
- Government
- Healthcare
- Retail trade

## Average annual wage:

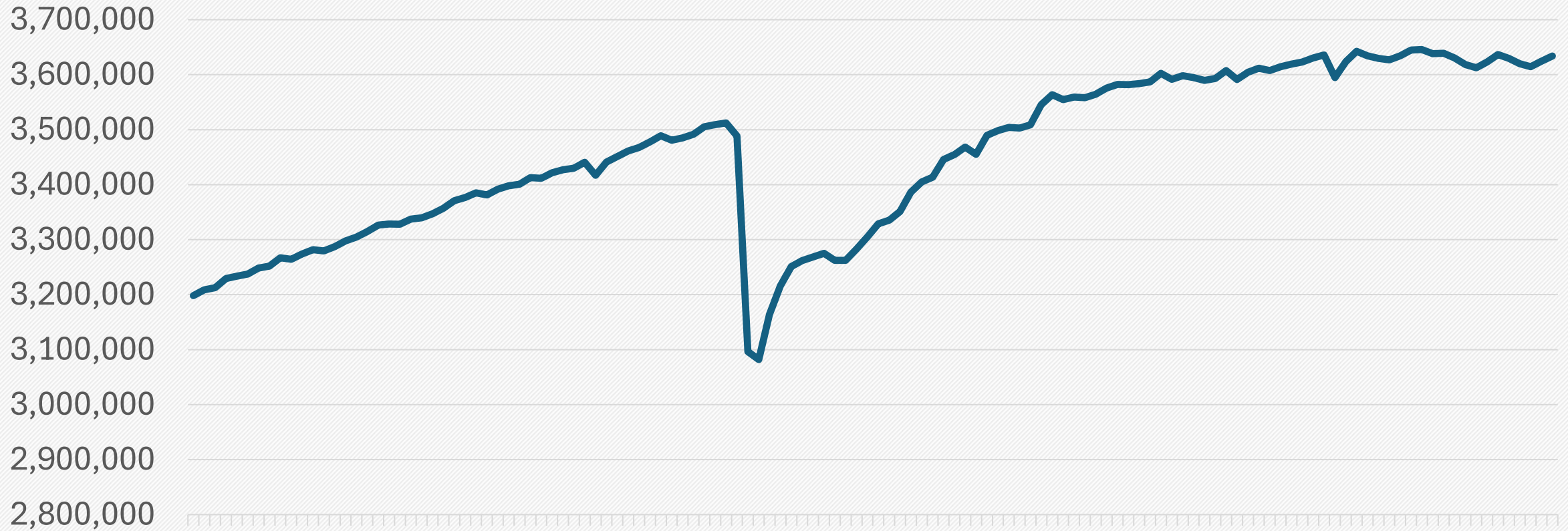
**Total: \$96,378**

- Lowest: \$35,365  
(accommodation and food services)
- Highest: \$290,308 (information)

Average annual employment by sector, 2025p



# Total non-farm employment 2016-2026

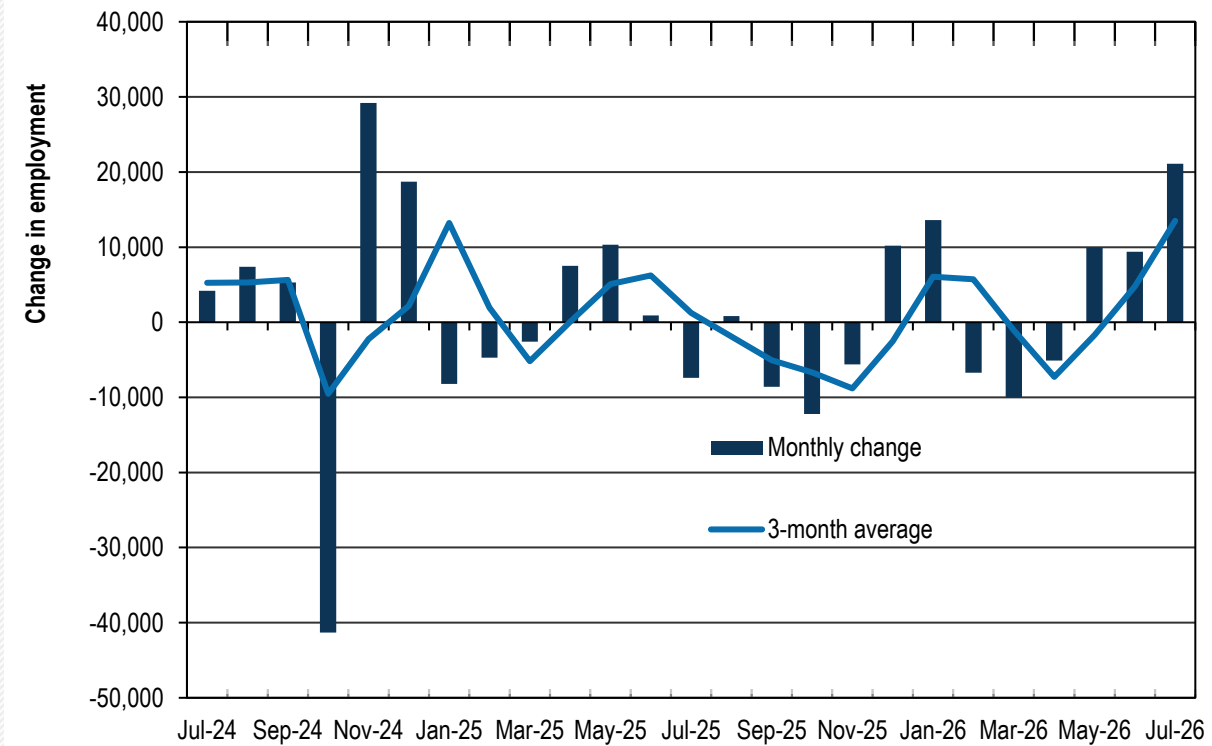


# Washington employment at a glance



## Monthly change Washington

- May 2026 +10,000
- June 2026 +9,400
- July 2026 +21,100



# Industry employment changes over the year



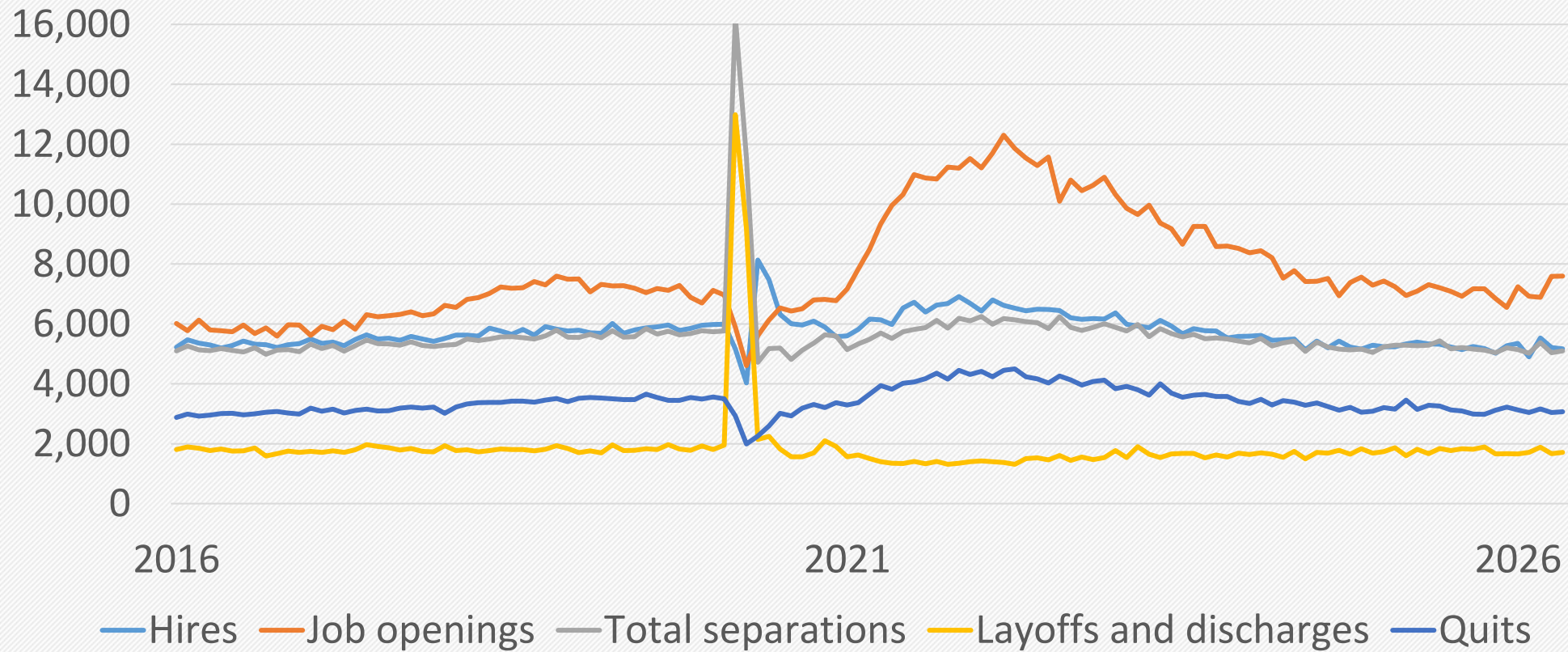
|                                           |        |       |
|-------------------------------------------|--------|-------|
| Total nonfarm                             | 16,100 | 0.4%  |
| Private education and health services     | 14,100 | 2.5%  |
| Leisure and hospitality                   | 9,300  | 2.6%  |
| Manufacturing                             | 5,300  | 1.9%  |
| Financial activities                      | 4,000  | 2.4%  |
| Other services                            | 1,900  | 1.5%  |
| Transportation, warehousing and utilities | 1,800  | 1.1%  |
| Mining and logging                        | -200   | -3.8% |
| Information                               | -1,100 | -0.7% |
| Government                                | -1,500 | -0.2% |
| Construction                              | -2,600 | -1.2% |
| Retail trade                              | -3,000 | -0.9% |
| Wholesale trade                           | -4,000 | -3.0% |
| Professional and business services        | -7,900 | -1.4% |

# Industry employment changes over the month, June-July 2026



|                                           |               |
|-------------------------------------------|---------------|
| <b>Total nonfarm</b>                      | <b>21,100</b> |
| Private education and health services     | 7,300         |
| Leisure and hospitality                   | 2,700         |
| Retail trade                              | 2,500         |
| Professional and business services        | 2,500         |
| Manufacturing                             | 2,200         |
| Construction                              | 1,900         |
| Other services                            | 1,000         |
| Transportation, warehousing and utilities | 1,000         |
| Financial activities                      | 500           |
| Wholesale trade                           | 500           |
| Information                               | 500           |
| Mining and logging                        | -100          |
| Government                                | -1,400        |

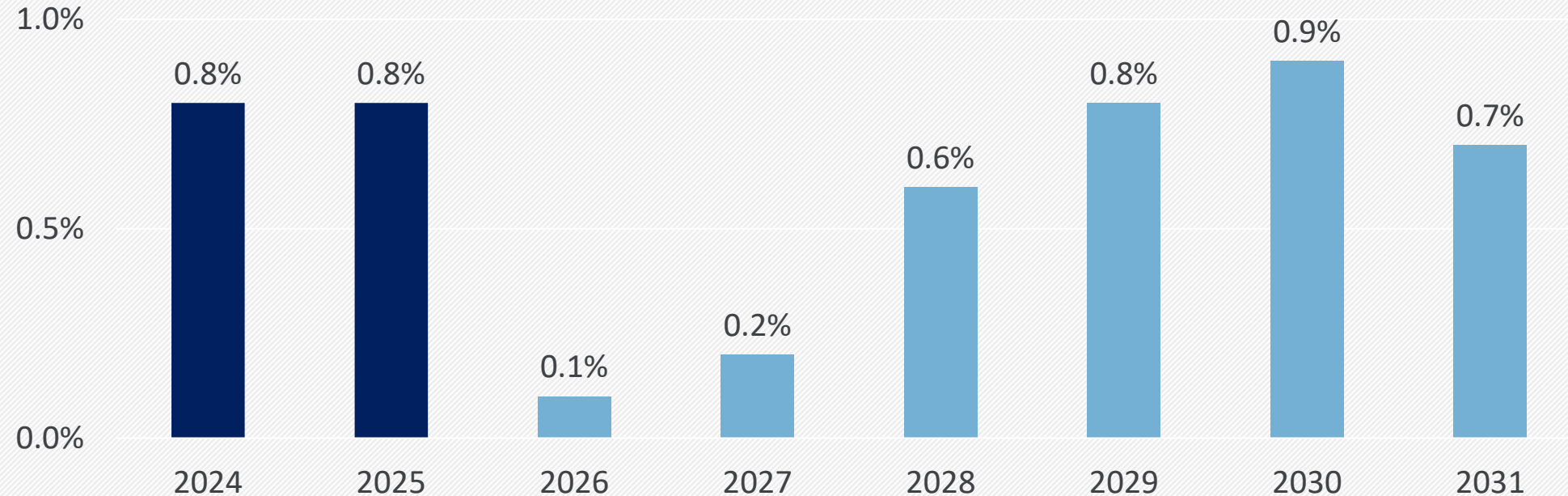
# U.S. labor dynamics have cooled



# Washington economic forecast calls for continued slow growth



Payroll employment change %



# Workforce data



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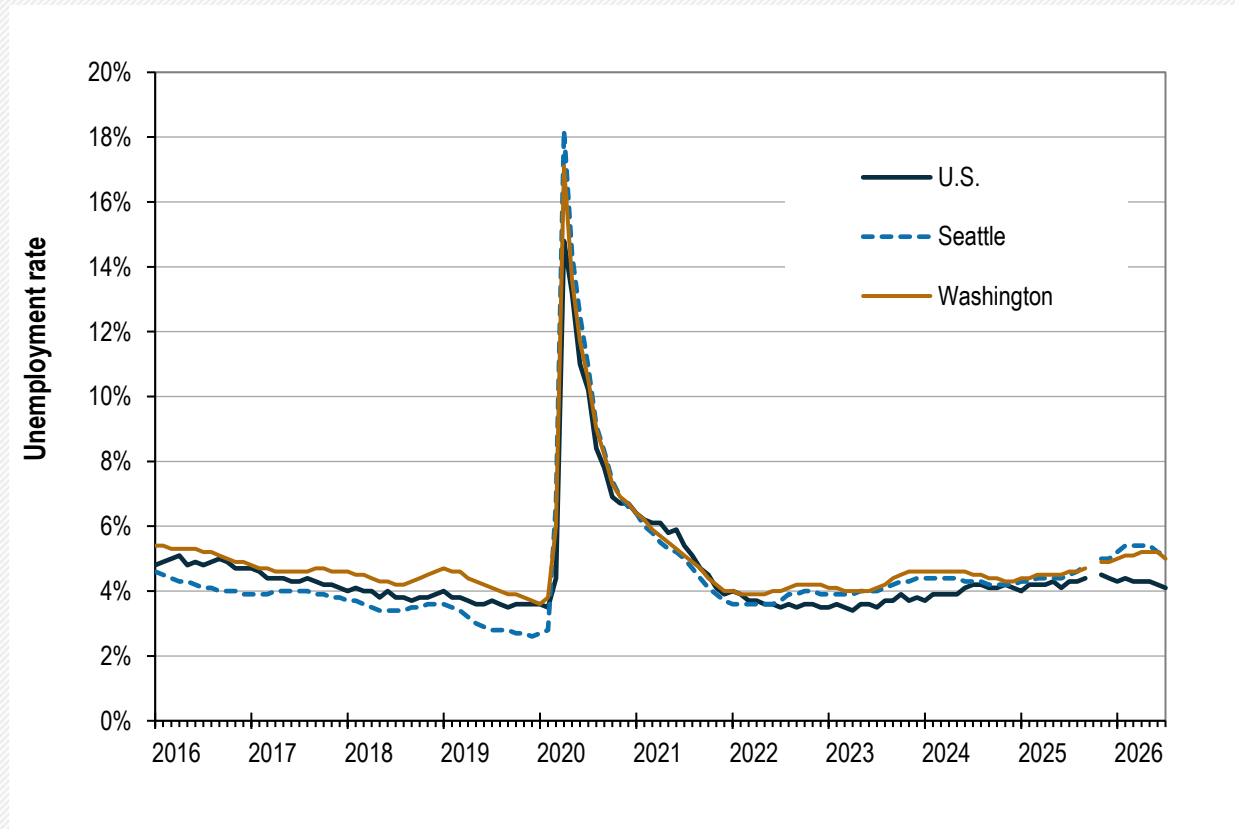
Labor force trends  
Unemployment  
Demographics

# Unemployment rate steadily increasing



July 2026

- United States: 4.1%
- Washington: 5.0%
- Seattle MSA: 5.1%



# Unemployment rate varies across state



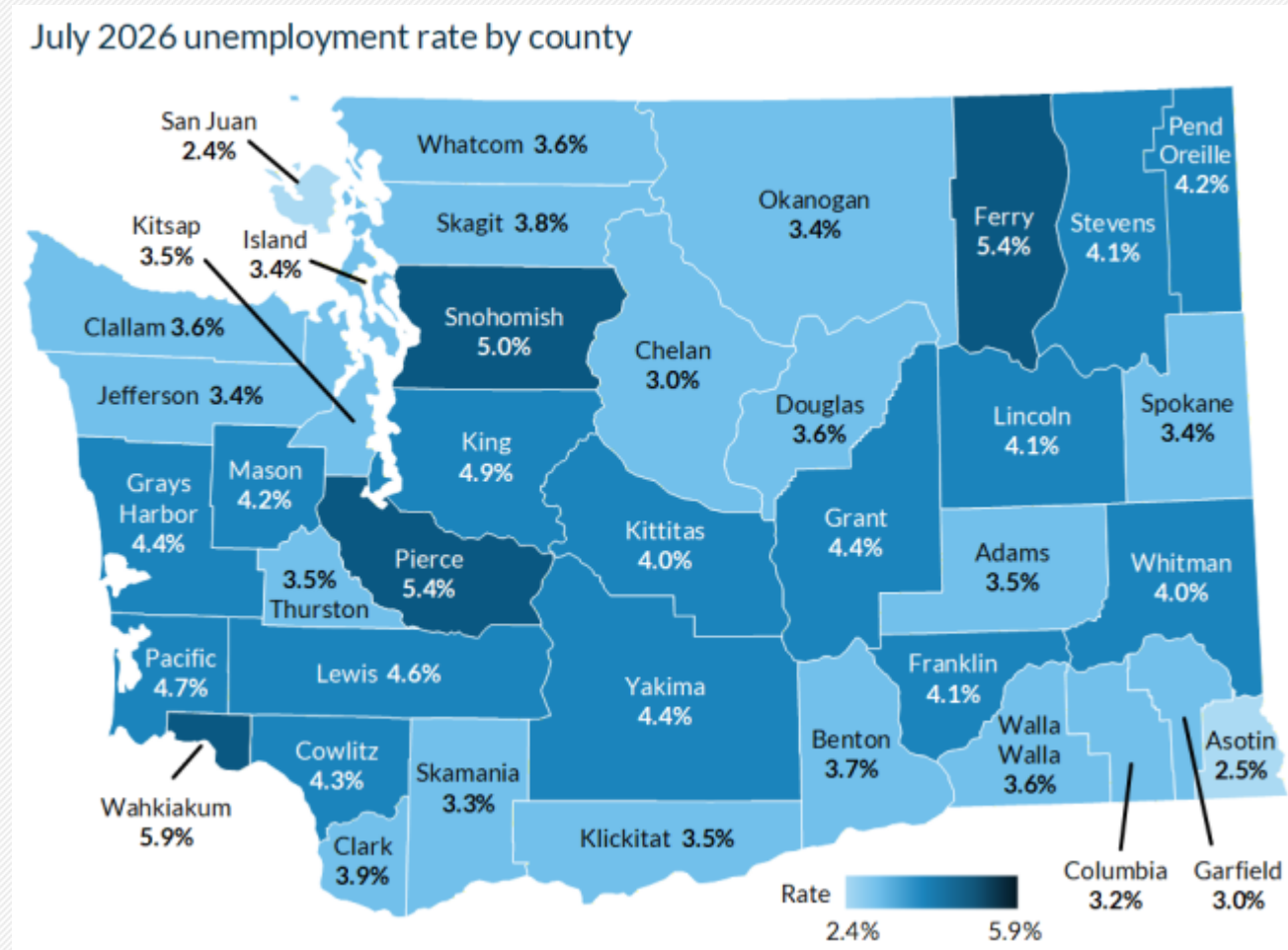
## Highest unemployment rate

- Wahkiakum County 5.9%

## Lowest unemployment rate

- San Juan County 2.4%

Seasonality is a major factor when looking around the state

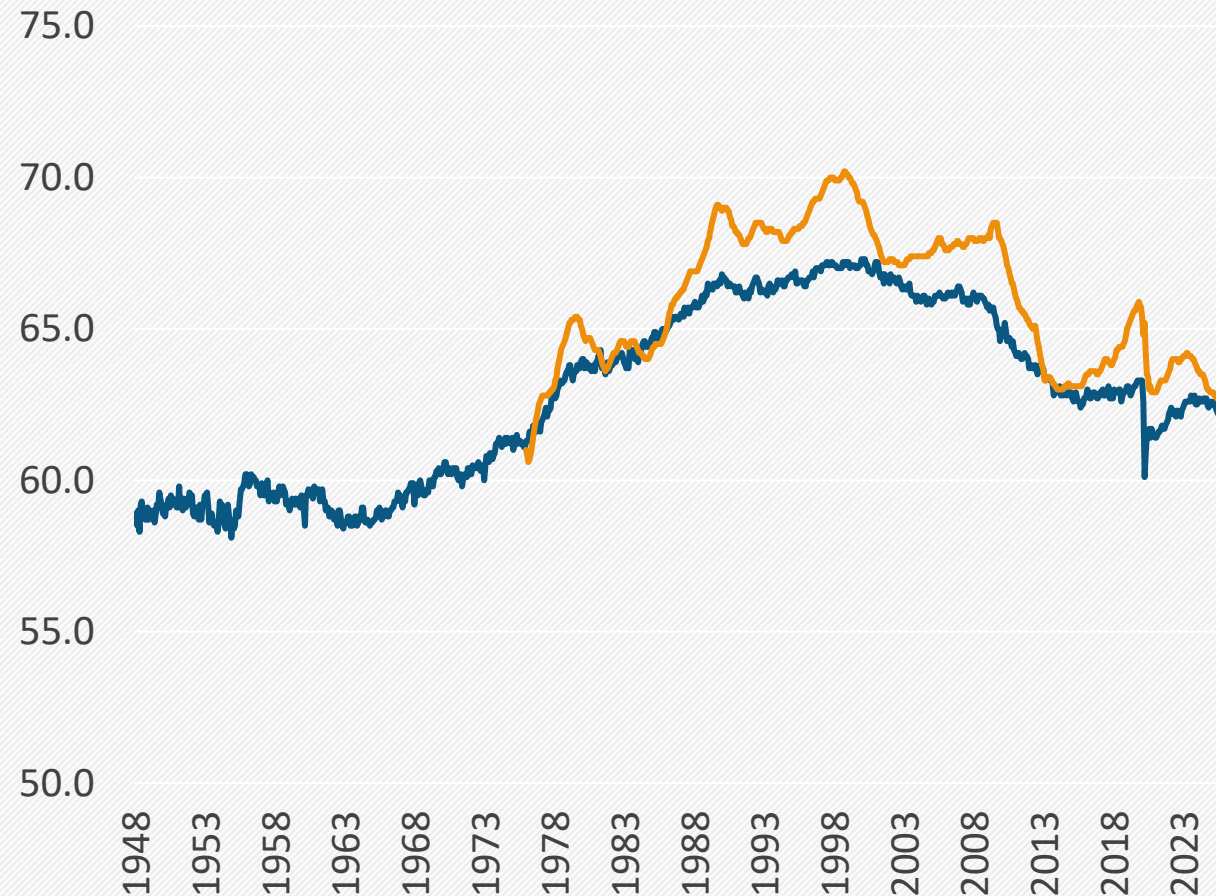


# Labor force participation



Current labor force participation rate

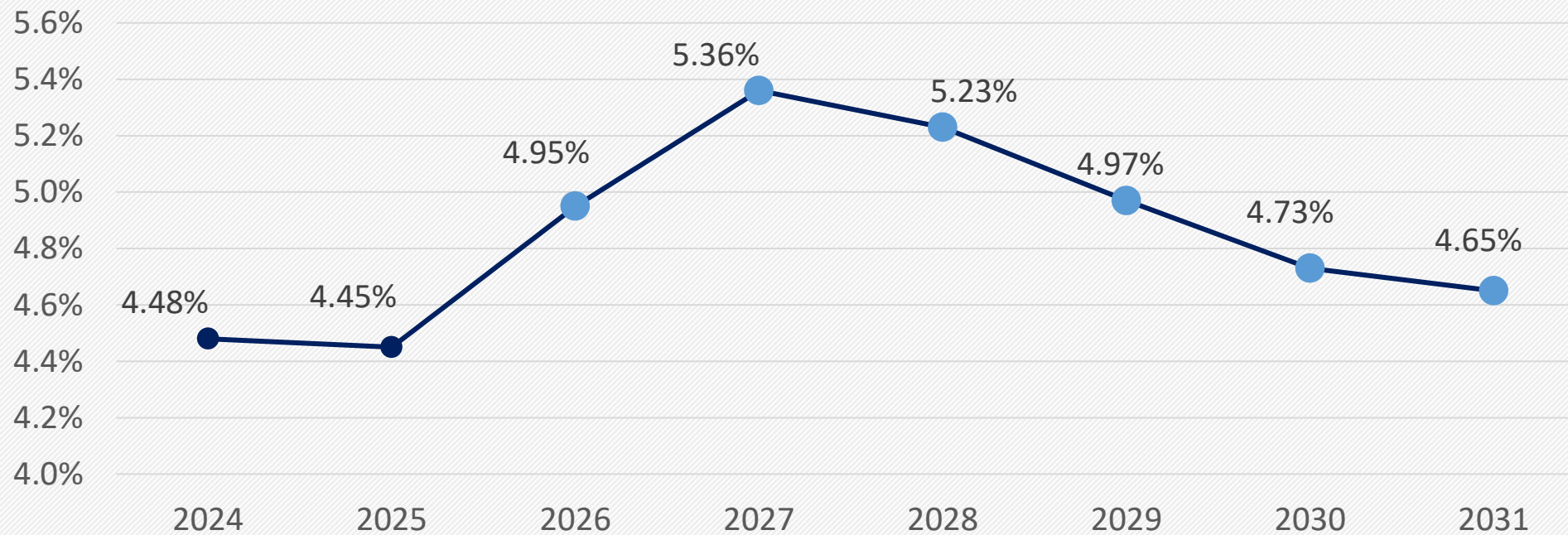
- United States: 61.4%
- Washington: 62.1%



# Unemployment rate expected to remain low



Washington unemployment rate



# Labor market economists



- Anneliese Vance-Sherman, Chief Labor Economist
  - [Anneliese.vance-Sherman@esd.wa.gov](mailto:Anneliese.vance-Sherman@esd.wa.gov)
- Ajsa Suljic, South Central & Southeast Washington
- Emily Robertson, Southwest Coastal Washington
- Mike McBride, North Central & Northeast Washington
- Paul Turek, Central Sound Region
- Toby Paterson, North Sound Region

# Public comment



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# 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. Also please 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 Kennidi Hunsicker at [kennidi.hunsicker@esd.wa.gov](mailto:kennidi.hunsicker@esd.wa.gov). *(Kennidi's email will be posted in the chat.)*
- Please limit your comments to **two minutes**.

# Thanks for attending

Next UIAC meeting: Oct. 21, 2026



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# Equal opportunity statement



The Employment Security Department is an equal opportunity employer/ program. Auxiliary aids and services are available upon request to individuals with disabilities. We provide free help in many languages. People who need hearing or speech help can dial 711 for the Washington Relay.

# Appendix



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# References for striking workers data



- Kallas, J., Iyer, D. K., & Friedman, E. (2026). *Cornell University ILR School & University of Illinois LER School*. Retrieved from [striketracker.ilr.cornell.edu](https://striketracker.ilr.cornell.edu).
- U.S. Bureau of Labor Statistics. (2026). *Work Stoppages*. Retrieved from [bls.gov](https://bls.gov).