



## Unemployment Insurance Advisory Committee

### Meeting details

**Date:** Friday, January 27, 2023

**Time:** 2:00pm- 3:00 pm

**Location:** Zoom

#### Committee members present

##### Employee Representatives

- Cindy Richardson, UNITE HERE Local 8
- Josh Swanson, Operating Engineers 302

##### Employer Representatives

- Bob Battles, Association of Washington Business
- Julia Gorton, Washington Hospitality Association
- Sophia Steele (proxy for Tammie Hetrick), WA Food Industry Association

##### General Public Representatives

- Anne Paxton, Unemployment Law Project
- William Westmoreland, Pac Mtn WF Dev Council

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##### ESD staff

- Joy Adams
- Danielle Cruver
- Joshua Dye
- Vaughn Ellis
- Caitlyn Jekel
- Matt LaPalm
- Marypat Meuli
- Scott Michael
- Allison Peterson
- JR Richards
- Stephanie Sams
- Dan Zeitlin

#### Committee members absent

- Brenda Wiest, Teamsters 117
- Tammie Hetrick, WA Food Industry Association
- Courtney Williams, Comm Employment Alliance

## Summary

### Meeting Recorded

This meeting was [recorded](#) and also [livestreamed](#) by TVW.

### Welcome and Opening Remarks

Unemployment Insurance Customer Support Director, JR Richards, welcomed everyone and asked Allison Peterson to take roll call. All committee members were present except:

- Brenda Wiest, Teamsters 117
- Tammie Hetrick, WA Food Industry Association
- Courtney Williams, Comm Employment Alliance

### Agenda

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

### Meeting Minutes

JR Richards requested that everyone review the meeting minutes for December 14, 2022 and provide their feedback. William Westmoreland made a motion to approve the minutes and Bob Battles seconded the motion. JR asked for all members in favor to say, "Aye." All members responded, "Aye". JR asked members that oppose to say, "Nay." No one responded. The December 14, 2022 meeting minutes were approved.

Anne Paxton inquired if any public comment was submitted. Dan Zeitlin responded if public comment is submitted and contains any personal unemployment insurance claim information, it is not include in the formal minutes.

### Opening Discussion

JR Richards opened the meeting discussion with a slide presentation and highlighted the below topics to be covered.

- Agency Request Legislation - update
- Unemployment Insurance Administrative Funding
- Other UI-Related Legislation
- Future Agenda Topics

### Agency Request Legislation - update

JR Richards handed the meeting over to Caitlyn Jekel, Government Relations Director, ESD to continue the discussion.

### UI Agency Request Legislation

Caitlin Jekel gave an update on:

- SB 5240 – it has passed out of its policy committee and is in rules
- SB 5331 – it has passed out of its policy committee and is in rules
- HB 1107 – it has passed out of its policy committee and is in rules

### **Unemployment Insurance Administrative Funding**

Caitlin Jekel handed it over to Danielle Cruver for further discussion.

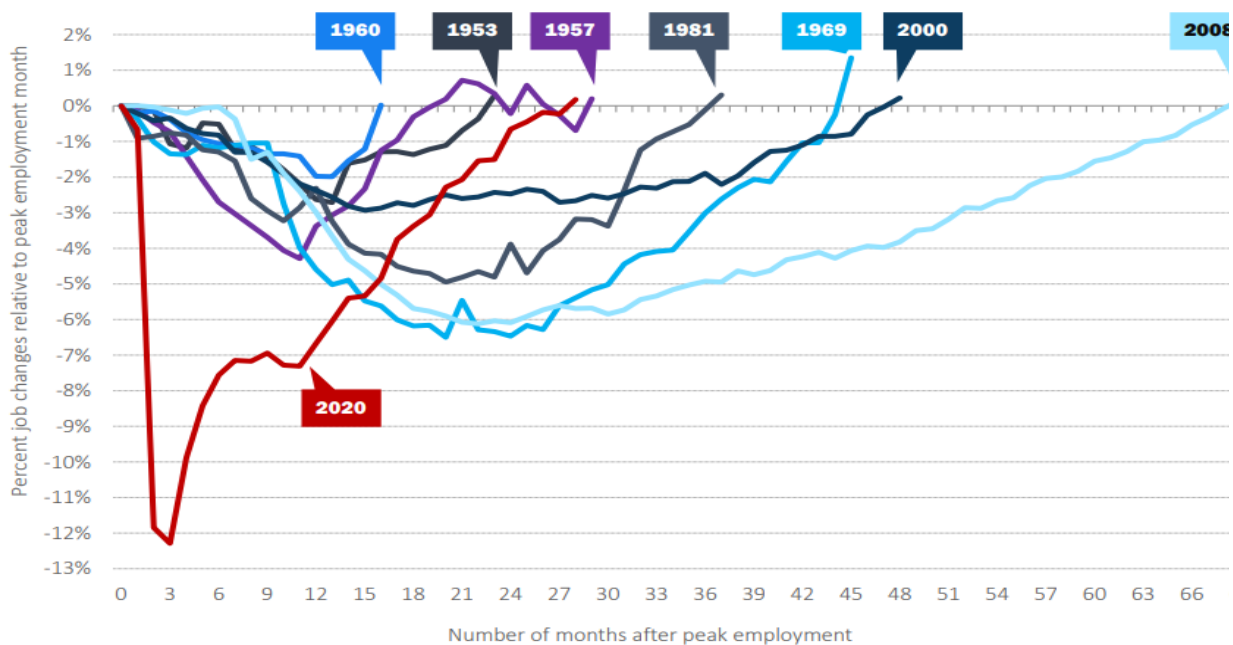
Danielle Cruver gave the following updates:

- Federal funding for UI has fallen more sharply than is typical after economic downturn
- \$21 million was requested in order to avoid staffing reductions
- \$11.7 million funding to go towards a special team of 118 FTE to resolve pandemic-era backlog of overpayments
- \$1.48M FY24, \$1.44M FY25, etc., would cover a national services team of 12 FTE who would work directly with customers who are new to UI and would need additional assistance
  - William Westmoreland asked how this team would be different than ESD’s team in employment connections. Danielle Cruver specified that this team would be specifically for the UI program and helping those who have been laid off or have lost their job navigate their benefits. JR Richards also answered that this is a result of listening to feedback and where more support is needed to the public, and that UICS is the first team contacted for unemployment insurance issues, so this team would be specifically for supporting claimants through that initial contact and putting them on the right track.
  - William Westmoreland followed up with noting that UICS isn’t a division that does basic services, and ESD is, and reiterated that this team seems to mimic that of the team in the Employment Connections division. Caitlin Jekel responded that this team would be for the purpose of helping individuals through their claims while in our work source center, and how there’s an opportunity to help claimants just for the initial introduction and informing them of the services offered within UICS. William Westmoreland responded that this funding should be used to fund the previously existing teams, which are underfunded.
- The projected budget was reviewed:

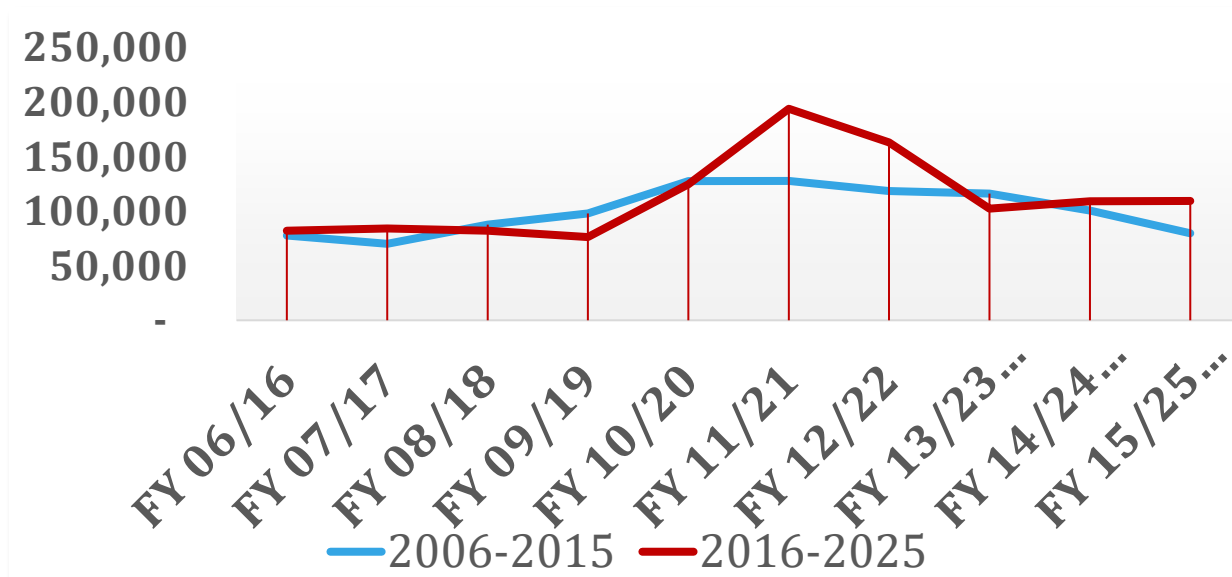
	FY23 Projection	FY24 Projection	FY25 Projection
Projected Revenue	110,239,000	83,623,000	83,755,000
Projected Carryforward from Prior Year		13,405,000	(9,316,000)
Division Base Budget	95,430,000	106,344,000	102,133,000
Proviso	1,403,889	-	0
<b>Budget v. Revenue</b>	<b>13,405,000</b>	<b>(9,316,000)</b>	<b>(27,694,000)</b>

- The 2020 recession was compared to previous recessions, and how it affected UICS and ESD:

### Job losses and duration of post-WW2 recessions in W.



Source: Washington Employment Security Dept. and Economic and Revenue Forecast Council, July :



### Other UI-Related Legislation

Danielle Cruver handed the discussion over to Scott Michael.

Scott Michael gave the following updates:

- SHB 1106 – voluntary quit bill that seeks to expand list of reasons an employee can leave work with good cause, as Washington’s list is currently narrow.
  - Bob Battles asked how the “able and available” component would be handled in this situation. Scott Michael responded that this bill would not affect that component, and there are no foreseen changes to the “able and available” requirements.
  - Bob Battles asked how UICS would handle the fiscal impact, as this would increase claims. Danielle Cruver responded that it would be a small fiscal impact of around \$300,000 in claims and a small amount of IT staff. Scott Michael added in that the system is designed to balance out the costs by reducing costs in other areas. Julia Gorton referred Bob to the study regarding charged benefits going back to the employer.
- HB 1458 – waves the waiting week for employers entering an apprenticeship, and the range of federal funding lost is between 18-36million dollars
  - Sophia Steele asked for clarification on that the bill says it covers stop work for apprenticeship participation and asked for clarification on what that means. Scott Michael responded that entering an apprenticeship would qualify as work stoppage, and that the employee qualifies for benefits.
  - Sophia Steele brought up that the apprenticeship program isn’t a work stoppage, but an employee now fulfilling their job requirements in the classroom. Joy Adams

- responded that the difference is mainly where the funding is coming from, as when the employee enters the apprenticeship program, they're now being funded federally instead of by their employer.
- Josh Swanson explained the first month of apprenticeship is equal to a new job's training/orientation, and that that is the primary reason for the policy. It allows for unemployment coverage for the employees who become an apprentice, who are now in a vulnerable position, to help support their success. Julia Gorton asked who would pay for the waiting week, and Josh Swanson responded that it would be funded the same way as other situations and would not fall back on the employer.
- HB 1095 / SB 5109 – creates a separate, state-funded UI benefit program to help undocumented workers
  - HB 1570 – helps transportation network company drivers covered by UI insurance
  - SB 5176 – concerning UI benefits for officers of employee-owned cooperatives

### **Future Agenda Topics**

JR Richards began leading the discussion of future meeting topics, which were as follows:

- Legislative Session Updates
- Rulemaking Updates
- Overpayments Project Updates
- Appeals Backlog Updates

### **Action Items**

None

### **Public Comments**

Larissa Flora:

*“Resources at ESD are currently being allocated to the collections of overpayments from the pandemic period, which in the case of overpayments that will be waived is creating more work for ESD to resource down the line. Collections activities include any action being taken to collect on a payment, such as sending notices to people's homes. People are being told through these notices that they need to set up payment plans and are making hundreds of dollars in monthly minimum payments, while you currently have no funding for processing both the waivers or the refunds of people's money.*

*It seems to me it would be a better use of ESD resources to fund the identification of waivable overpayments instead of funding collections on them, which will result in more work for ESD in the refunds process.*

*The DOL has made it clear it wants ESD to waive as many overpayments as possible and has encouraged this as a priority, as it disproportionately impacts already at risk and marginalized groups of people. Given this, will ESD*

*request approval from the DOL to delay the collections processes in order to resource the identification of waivable cases and the necessary refunds instead?*

*I appreciate your understanding of the gravity of this situation and the pressure it puts on people just trying to get by, and I look forward to your response.”*

JR Richards responded that UICS seeks to provide inquiries with all of their options for claimants selecting the best solution for their situation.

### **Adjourned**

JR Richards thanked everyone for their continued active participation and for their commitment to this work, then ended the meeting.

### **Next meeting**

February 24, 2023 from 2:00 p.m. to 3:00 p.m. via Zoom.



## Agenda

### Unemployment Insurance Advisory Committee (UIAC)

Friday, January 27, 2023 | 2:00 pm - 3:00 pm | Via Zoom | 212 Maple Park Ave SE, Olympia, WA 98501

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Time	Topic
2:00 pm	Welcome from JR Richards, Unemployment Insurance Customer Support (UICS) Director, Employment Security Department (ESD) <ul style="list-style-type: none"><li>o Agenda Overview</li></ul>
2:05 pm	Approval of December 14, 2022 Meeting Minutes
2:10 pm	Agency Request Legislation - Update -Caitlyn Jekel, Government Relations Director, ESD
2:25 pm	UI Admin Funding -Danielle Cruver, Chief Finance Officer, ESD -Caitlyn Jekel, Government Relations Director, ESD
2:40 pm	Other UI-Related Legislation -Scott Michael, Legal Services Manager, ESD
2:50 pm	Future Agenda Topics
2:55 pm	Public Comment
3:00 pm	Adjourn

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

#### RECORDING DISCLAIMER:

*This meeting is being recorded and will be live streamed by TVW. Please be advised that your image and voice will be captured and recorded during the videoconference. Your participation in this videoconference equals consent to be recorded as required by law.*





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## Unemployment Insurance Advisory Committee

### Meeting Dates – 2023

Date	Location	Host	Notes
Jan 27, 2023 2:00 PM	*Zoom	ESD	^Recorded meeting
Feb 24, 2023 2:00 PM	*Zoom	ESD	^Recorded meeting
Mar 31, 2023 2:00 PM	*Zoom	ESD	^Recorded meeting
Apr 28, 2023 2:00 PM	*Zoom	ESD	^Recorded meeting
May 10, 2023 10:00 AM	*Zoom	ESD	^Recorded meeting
June 14, 2023 10:00 AM	*Zoom	ESD	^Recorded meeting