

# Unemployment Insurance Advisory Committee

#### **Meeting details**

Date: Friday, March 31, 2023 Time: 2:00pm - 3:00 pm Location: Zoom

#### Committee members and alternates present

#### **Employee Representatives**

- Sybill Hyppolite, Washington State Labor Council (present in place of Cindy Richardson)
- Josh Swanson, Operating Engineers 302

#### **Employer Representatives**

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

#### **General Public Representatives**

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

#### 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 and alternates absent

- Julia Gorton, Washington Hospitality Association
- Monica Holland (alternate public rep), Northwest Justice Project
- Joe Kendo (alternate employee rep), Washington State Labor Council
- Allyson O'Malley-Jones (alternate), Northwest Justice Project
- Cindy Richardson, UNITE HERE Local 8
- Courtney Williams, Community Employment Alliance
- Brenda Wiest, Teamsters 117

## 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 Colin Helsley to take roll call.

### **Meeting Minutes**

Bob Battles requested that the February 24th UIAC meeting minutes be corrected to include alternates. Tammie Hetrick made a motion to approve the minutes under the condition the correction be made. Josh Swanson seconded the motion, and the minutes from the February 24<sup>th</sup> meeting were approved by the committee subject to the addition of alternates. JR ensured that the record would be accurately reflected.

### Agenda

JR Richards reviewed the following agenda items (also see Addendum I.)

- Legislation update
- Unemployment Insurance Administrative Funding update
- Rulemaking update
- Pandemic Era Overpayments update
- Future Agenda Topics

## Agency Request Legislation - update

JR Richards handed the meeting over to Caitlyn Jekel, Government Relations Director, ESD to provide an update on agency request legislation.

Caitlin provided an update on the following:

- HB 1656 (Companion is SB 5240) Concerning unemployment insurance benefits appeal procedures
  - Senate Second Reading
- SB 5331 Concerning job search requirements for unemployment insurance benefits • House – Rules Committee
- HB 1107 Concerning removing the terms "master" and "servant" from Titles 50 and 50A
  - Passed the legislature

## Other UI bills still active

Scott Michael, Legal Services Manager, ESD updated the committee that the following bills are proceeding forward in the legislature:

- SHB 1106 Expanding list of voluntary quits
- SHB 1458 Creating an apprenticeship study group
- SHB 1570 Transportation network companies
- SSB 5176 Officers of employee-owned cooperative companies
- HB 1712 Workers dislocated by closure of finfish aquaculture facilities
- HB 1684 Establishing opt-in process for tribes reporting SOC codes or job titles on quarterly reports
- SSB 5156 Concerning farm internship program

Caitlyn Jekel noted that the apprenticeships study group bill 1458, has since passed out of the Senate.

## Unemployment Insurance Funding Update

Danielle Cruver, Chief Finance Officer, ESD was accompanied by Lisa Henderson, Budget Director, ESD and provided the following updates on ESD budget requests and their current status in the legislature.

	Senate (SB 5187)	House (HB 1140)
Backfill federal funding shortfall \$21 Million	Amendment 70 (Keiser) - adopted	Included
Dedicated pandemic era overpayment waiver team \$11.7 Million	Amendment 73 (Keiser) - withdrawn	Included
Navigation services team \$2.92 Million	Amendment 74 (Keiser) - withdrawn	Included

	Gov.	Senate (SB 5187)	House (HB 1140)
UI Continuous Improvement team	1 team	1 team	2 teams
Continued research on replicating UI for workers excluded due to citizenship status		\$35,000	
Interview no show reporting mechanism		\$10,000	

## Rulemaking Update

Scott Michael, Legal Services Manager, ESD provided the following information on the overpayment waiver emergency rules adopted March 27<sup>th</sup>, 2023:

- Covers the time period of February 2, 2020 through September 4, 2021 (beginning and end of PUA benefits)
- Adopts USDOL-approved blanket waivers for federal CARES Act benefits
- Allows people who have previously had a waiver denied to re-apply for a waiver
- Allows conditional payments to be waived.

Bob Battles asked a question regarding how these rules may impact ESD's backlog of work. Scott answered that the blanket waivers will help with the backlog by making tens of thousands of overpayments disappear. Scott noted that giving people a second chance to apply for a waiver may add to ESD's backlog, but that this will have some collateral effects in that each time an overpayment waiver is granted, any appeal that the individual had related to their eligibility for benefits will become a moot point.

Bob Battles asked what would cause someone who was previously denied a waiver to become eligible now. Scott answered that prior to the pandemic, overpayment waiver policies were different at ESD in that the focus was on whether the individual had the financial ability to pay or not, whereas now the approach to overpayment waivers is more open-minded about what it means for someone to be at fault, and looks at fairness beyond just the individual's ability to pay.

Scott also clarified that most of the blanket waivers that have been approved are specific to CARES Act benefits.

## Pandemic Era Overpayments – update

JR Richards shared the following updates on the Overpayment Project.

• On March 29 and 30, ESD is automatically waived overpayments.

- Approximately 21,000 people will receive letter or email notification
- \$13 million during the pandemic.
- ESD is also sending refunds totaling approximately \$3 million
  - Refunds of less than \$100 will be authorized when the waivers are run.
  - Larger refunds take three to six weeks.

It was clarified that the overpayments being waived were entirely funded federally through the CARES Act and did not come out of the trust fund initially. ESD's trust fund balance and projections already account for these payments being made, without the assumption that they would be collected again. Therefore, regardless of whether an overpayment is waived or not, trust fund balances and projections will remain the same.

JR then provided these further updates:

- Starting April 7, 2023, the application form will be available online.
  - Approximately 115,000 people with pandemic-era overpayments will need to apply for an overpayment waiver.
  - Claimants can visit esd.wa.gov/overpayments for more information.
  - Waiver located in their eServices account.
  - ESD's agents will review each waiver application on an individual basis to see if claimants meet requirements for waiving the overpayment.
  - Processing time for these waiver applications will depend on funding.

Caitlyn Jekel also added in the chat a link to the September 27<sup>th</sup>, 2022 UIAC meeting slides which cover the policy changes discussed prior.

JR also reminded attendees of the UIAC webpage which houses all previous meeting documents.

# **Future Agenda Topics**

JR Richards reviewed the following future agenda items:

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

JR invited committee members to put forth any meeting topics they would like discussed at upcoming meetings. Committee members may also reach out after the meeting with agenda items.

Anne Paxton asked a question regarding the earlier topic of budget requests: what happens if one house agrees to the budget request and the other does not? Caitlyn answered that the two bills will go forward into

conference and at that time issues that have shown up in one of the bills but not the other will be appointed discussion.

## Action Items

None

## **Public Comments**

JR reminded meeting participants that if they would like their comments captured in the meeting minutes to please email them to <u>Camille.galeno@esd.wa.gov</u>

### Adjourned

JR Richards thanked everyone for joining today and ended the meeting.

## Next meeting

June 14th, 2023, from 10:00 a.m. to 12:00 p.m. via Zoom.

# Addendum 1

## Agenda

Unemployment Insurance Advisory Committee (UIAC)

Friday, March 31, 2023 | 2:00 pm - 3:00 pm | Via Zoom | 212 Maple Park Ave SE, Olympia, WA 98501

Time	Торіс
2:00 pm	Welcome from JR Richards, Unemployment Insurance Customer Support (UICS) Director, Employment Security Department (ESD)
	o Agenda Overview
2:05 pm	Approval of February 24th, 2023 Meeting Minutes
2:10 pm	Agency Request Legislation - Caitlyn Jekel, Government Relations Director, ESD
2:15 pm	Other UI-Related Legislation - Scott Michael, Legal Services Manager, ESD
2:25 pm	Rulemaking Update - Scott Michael, Legal Services Manager, ESD
2:30 pm	Budget Update - Danielle Cruver, Chief Finance Officer, ESD and - Lisa Henderson, Budget Director, ESD
2:40 pm	Overpayment Project Update - JR Richards, Unemployment Insurance Customer Support (UICS) Director, 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 <u>https://esd.wa.gov/newsroom/UIAC</u> 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./

# Addendum II

# 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