

A photograph showing the silhouettes of several people standing in a meeting room, illuminated by a bright light source from the left, creating a strong backlight effect. The room has large windows and a reflective floor.

# Unemployment Insurance ADVISORY COMMITTEE



**Employment Security Department**  
WASHINGTON STATE

January 28, 2022

# Agenda



- UI State Legislative and Rulemaking Update
- UI Program Implementation Update

# UI State Legislative and Rulemaking Update



**Employment  
Security  
Department**  
WASHINGTON STATE

**Unemployment Insurance Advisory Committee Presentation**

**January 28, 2022**

Scott Michael, Legal Services Manager  
Employment Security Department

# 2022 New Bills of Interest



- HB 1612 – Technical corrections to unemployment tax rate statutes.
- SB 5783 – Re-establishing the underground economy task force.
- SB 5873/HB 2031 – Across the board reduction in social tax cap in 2022 and 2023; social tax cut for small business in 2023.

**Projections based on current state**

	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>CY 2025</b>
<b>Avg. Tax Rate</b>	1.45%	1.56%	1.56%	1.43%
<b>Total Tax Payments</b>	\$1,830.4 million	\$2,046.0 million	\$2,116.9 million	\$1,988.5 million
<b>Trust Fund Balance</b>	\$2,431.9 million	\$3,296.6 million	\$4,142.1 million	\$4,795.9 million
<b>Months of Benefits Available</b>	4.9 months	6.6 months	8.3 months	9.5 months

**Projections with SB 5873**

	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>CY 2025</b>
<b>Avg. Tax Rate</b>	1.30%	1.51%	1.56%	1.43%
<b>Total Tax Payments</b>	\$1,645.8 million	\$1,987.2 million	\$2,112.2 million	\$1,988.5 million
<b>Trust Fund Balance</b>	\$2,245.9 million	\$3,043.3 million	\$3,880.6 million	\$4,527.8 million
<b>Months of Benefits Available</b>	4.6 months	6.0 months	7.7 months	8.9 months

	<b>Difference</b>			
	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>CY 2025</b>
<b>Avg. Tax Rate</b>	-.15%	-.05%	0%	0%
<b>Total Tax Payments</b>	-\$184.6 million	-\$58.8 million	\$0	\$0
<b>Trust Fund Balance</b>	-\$186 million	-\$253.3 million	-\$261.5 million	-\$268.1 million
<b>Months of Benefits Available</b>	-.3 months	-.6 months	-.6 months	-.6 months

# Additional UI Bills of Interest



- HB 1486 – Changes to voluntary quit laws and able/available standards targeted at caregivers.
- SB 5438 – Unemployment benefits for undocumented workers. *Note:* Implementing a 2021 proviso, ESD completed a [report](#) on the topic to the Legislature.

# Rulemaking Agenda



- Making phase 1, 3 and 4 of emergency rule permanent.
- January 2022 Rulemaking Agenda will be posted shortly and will be made available on the agency rulemaking [site](#).



# UI Program Implementation Update



**Employment  
Security  
Department**  
WASHINGTON STATE

**Unemployment Insurance Advisory Committee Presentation**

**January 28, 2022**

Joy Adams, UI Quality Assurance Manager

# Disaster Unemployment Assistance November Northwest WA Flooding



- On January 5<sup>th</sup>, President Biden declared a major disaster for the November floods and mudslides in the northwest corner of Washington.
- Affected areas include:
  - Clallam County
  - Whatcom County
  - Skagit County
  - Lummi Nation
  - Nooksack Indian Tribe
  - Quileute Tribe
- Workers who live or work in these areas and are unemployed as a direct result of the disaster may be eligible for Disaster Unemployment Assistance or DUA.

# What is Disaster Unemployment Assistance?



- DUA provides income support to workers who do not qualify for regular unemployment insurance.
- This can include workers who do not have enough covered employment to qualify for a claim, those who have exhausted their regular UI eligibility, or other reasons related to the disaster.
- This program is very similar to Pandemic Unemployment Assistance, which expanded eligibility for income support benefits during the height of the COVID-19 pandemic.

# Help Spread the Word!



- We do not yet have a timeline for when we will be accepting applications for DUA, but we expect to have information available on our website in the next couple weeks.
- As we begin to implement this program and provide communications, we will be asking you to help amplify our message to reach everyone who may need this assistance.
- We also would appreciate your feedback on specific needs and outreach we can provide to ensure everyone has equitable access to the benefits.

# Help for Impacted Businesses



- You can ask for relief of benefit charges if your employees received unemployment insurance as a direct result of the disaster. Information at [esd.wa.gov/about-employees/relief-of-benefit-charges](https://esd.wa.gov/about-employees/relief-of-benefit-charges)
- Laws passed in 2021 affected your tax rates to help with recovery from the pandemic. More information available at [esd.wa.gov/newsroom/covid-19-employer-information](https://esd.wa.gov/newsroom/covid-19-employer-information)
- This page has information on programs that can affect your employees' benefits and your bottom line: [esd.wa.gov/unemployment/temporary-layoffs](https://esd.wa.gov/unemployment/temporary-layoffs)
  - SharedWork
  - Standby
  - Partial employment

# Other Upcoming UI Program Implementation



- Mixed Earners Unemployment Compensation (MEUC)
- [UIPL 16-20, Change 5](#), which expanded PUA eligibility to include three COVID-19 related reasons under which an individual may self-certify:
  1. Individuals who refuse to return to work that is unsafe or to accept an offer of new work that is unsafe;
  2. Certain individuals providing services to educational institutions or educational service agencies; and
  3. Individuals experiencing a reduction of hours or a temporary or permanent layoff.