



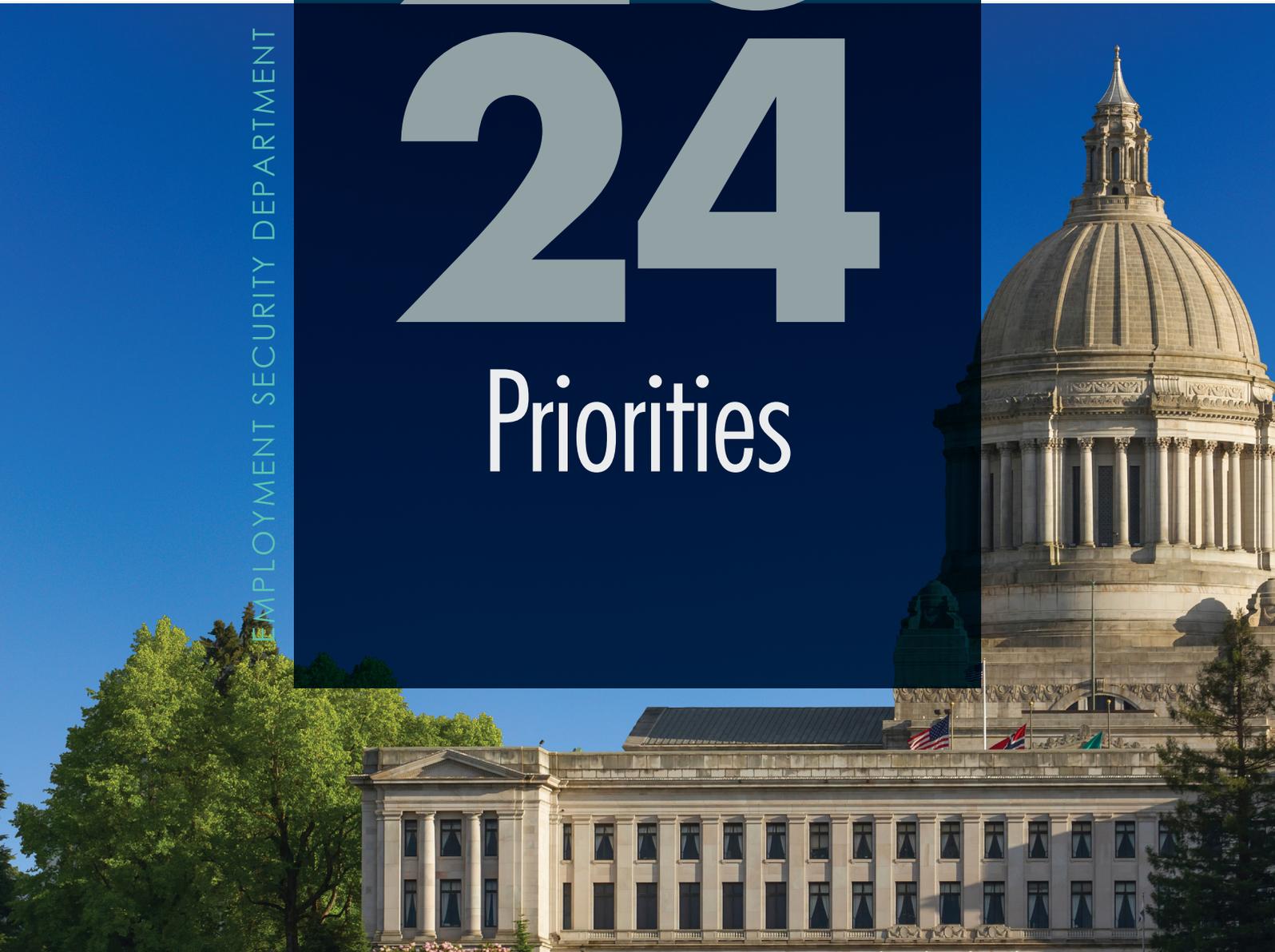
Legislative

20

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Priorities

EMPLOYMENT SECURITY DEPARTMENT



# About ESD

When life events disrupt employment, the Employment Security Department (ESD) provides economic security to the people of Washington in every corner of the state.

*We help people find jobs, bridge gaps in employment, provide paid family and medical leave, support the state's long-term care fund and more.*

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## Bridging gaps in employment

*We administer the state's Unemployment Insurance program by collecting taxes from employers and providing benefits to workers. Learn more on our website.*

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## Providing paid family and medical leave

*We administer the state's Paid Leave program. Our team strives to provide an easily accessible benefit that helps employers and employees maintain economic stability and peace of mind in challenging times. Learn more on our Paid Leave website.*

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## Supporting the state's long-term care fund

*ESD is responsible for collecting premiums, offering an elective coverage option, determining vesting status and processing exemption applications for the WA Cares Fund. Our partner agencies include the Department of Social and Health Services, Health Care Authority and the State Actuary. Learn more on the WA Cares website.*

# Decision packages



## Replace the WorkSource Integrated Technology (WIT) platform

\$12.8 million to complete the WorkSource Integrated Technology replacement. This statewide initiative is critical for delivering reemployment services to employers and job seekers. It's also necessary to meet requirements for both state and federal reporting.

The scope includes replacing the public facing WorkSourceWA.com job match system, which job seekers and employees use to access WorkSource system services. It also includes replacing the WIT case management system for WorkSource staff, who include ESD employees, partners and stakeholders.

## Complete Paid Leave program components

*\$8.6 million to complete the Paid Leave system and remaining legal requirements*

To deliver the full intention of the Paid Leave program, ESD must complete the remaining legal requirements. These include collections, recovery, compliance and service improvements. ESD is requesting increased staffing to address the remaining work.

## Expand Paid Leave customer care and quality assurance teams

This decision package requests the authority to hire an additional 49 FTEs to address increasing caseloads. ESD requests staff to process the increasing volume of applications and to reduce phone hold times for customers. To maintain and improve quality assurance, the agency also needs staff to conduct training, write technical guides and focus on operational readiness.

ESD will absorb the cost of the additional FTEs for FY 2024.

# Agency-request bills



## Unemployment benefit charging - House Bill 1898

In general, employers' tax rates depend on how much their former workers collect in unemployment benefits and the size of their payroll.

Two major components of state unemployment taxes:

- An experience-rating tax based on an average of the employer's layoff history over the past four fiscal years.
- A shared-cost (social) tax based on costs from the previous year that can't be attributed to a specific employer.

Over the years, the laws governing how and when employers are charged, not charged or relieved of benefits charged have gotten complex. There are pain points for both employers and ESD. This year, the agency is proposing HB 1898, which would clean up those statutes and make them easier to understand.

## Voluntary Contribution program - House Bill 1901

Eligible employers can use the Voluntary Contribution program to lower their tax rate after seeing large increases in their experience rate. Employers can make a one-time payment for either part or all of the unemployment benefits they paid to former or current employees during the past two fiscal years. ESD will then subtract those benefit charges from the employer's account, which reduces their tax rate for the current tax period.

As part of the state's pandemic response in 2021, several eligibility requirements for the program were changed to make the program more accessible to Washington businesses. Those changes resulted in increased use of the program but are set to expire in 2025. ESD is proposing HB 1901, which would remove the expiration and make those changes permanent.

Most participating businesses have annual taxable wages of less than \$250,000.



## Removing interest from pandemic-era overpayments - House Bill 1975

ESD has been hard at work to provide relief to customers with debt associated with unemployment benefits they received during the pandemic. The debt resulted when they received benefits paid improperly — known as an overpayment.

The agency:

- Automatically waived overpayments for as many people as possible.
- Are allowing people to apply for a waiver of the overpayment.
- Expanded the reasons that we can waive an overpayment for “equity and good conscience.”

When the agency waives someone’s overpayment, we also waive any associated interest. But when ESD can’t waive someone’s overpayment, the law requires us to charge interest on this debt. Due to the unique and persistent challenges ESD managed during and after the pandemic, interest for some people can be sizable.

ESD is proposing HB 1975, which would remove the accrued overpayment interest and delay future accruals while the agency works through waiver applications.

# More priorities for ESD

## Economic Security for all (EcSA) - House Bill 2230

EcSA is a poverty reduction program that coordinates with existing services to help low-income Washingtonians become self-sufficient. Employment Security partners with Washington's 12 Local Workforce Development Boards and over 160 local community service providers to ensure customers receive all the services for which they are eligible, including workforce, education and social services.

EcSA:

- Focuses on marginalized populations and people with multiple obstacles to self-sufficiency.
- Helps participants navigate existing poverty-reduction programs and regulations.
- Provides financial help when needed to address gaps between programs.
- Works with businesses to support industry growth and increase quality employment opportunities for job seekers.

HB 2230 codifies the EcSA program. Continuing to expand EcSA, in coordination with the Washington Workforce Association and other partners, remains a high priority for Employment Security.

Find more information in the [EcSA legislative report](#).

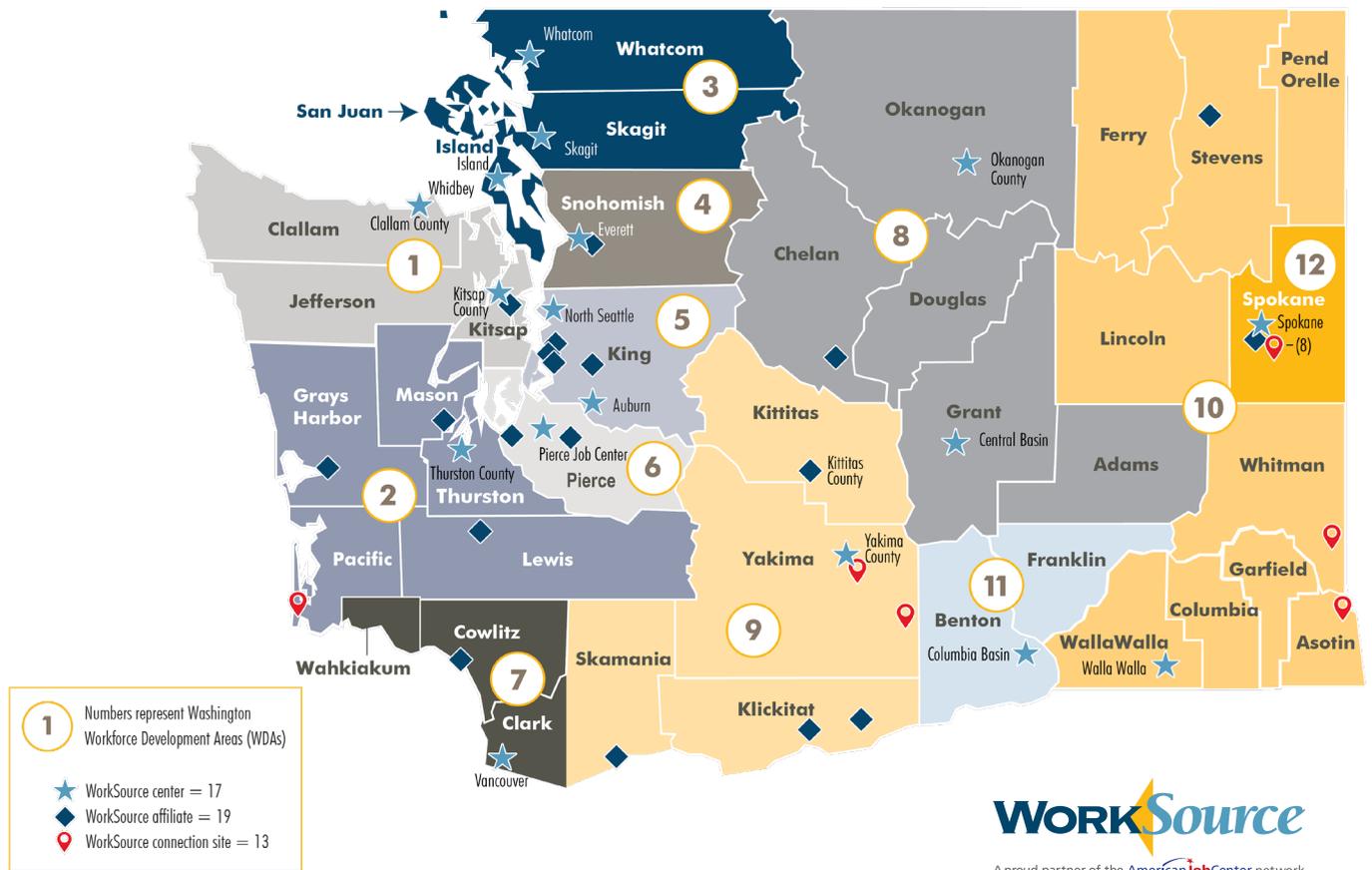
## Career Connect Washington (CCW)

As a CCW partner, ESD supports continued investment in the CCW model. The governor's request budget includes resources to expand the career connected learning grant program and additional funding for career launch enrollments through the State Board for Community & Technical Colleges.

About 70% of Washington's jobs require a post-secondary credential, and roughly 40% of Washington's students achieve one. Growing career connected learning will help close this gap by helping industry connect to the talent they need and students to the futures they deserve.

Read the latest [CCW report](#).

# Centers | Affiliates | Connection sites



Publish date: Sept. 22, 2023



A proud partner of the American Job Center network



Cami Feek was appointed commissioner for the Employment Security Department by Gov. Jay Inslee in June 2021. Prior to that, she served as ESD’s acting commissioner, deputy commissioner and chief operating officer. Cami understands that achievement comes from cooperation and a shared vision. She translates these principles to her professional leadership, focusing her career on strategic systems design and innovative and effective operations. She knows first-hand that good government is key to bringing about quality services that Washingtonians deserve and expect.