

SENATE BILL REPORT

SB 5193

As of January 20, 2021

Title: An act relating to unemployment insurance claim adjudicators.

Brief Description: Concerning unemployment insurance claim adjudicators.

Sponsors: Senators Conway, Keiser, Hasegawa and Wilson, C..

Brief History:

Committee Activity: Labor, Commerce & Tribal Affairs: 1/20/21.

Brief Summary of Bill

- Requires the Employment Security Department (ESD) to create an annual training program to train qualified persons to perform as unemployment insurance claim adjudicators.
- Mandates the Office of Financial Management to collaborate with ESD to provide opportunities for certain state employees to participate in the annual trainings.
- Requires ESD to provide an annual report to the Legislature on the number of persons with current adjudicator certifications.

SENATE COMMITTEE ON LABOR, COMMERCE & TRIBAL AFFAIRS

Staff: Susan Jones (786-7404)

Background: An unemployed individual (claimant) is eligible to receive unemployment insurance benefits (UI benefits) if the individual: (1) worked at least 680 hours in the base year; (2) was separated from employment through no fault of the claimant's or quit work for good cause; and (3) is able to work, available to work, and is actively searching for suitable work. The Employment Security Department (ESD) administers Washington State's unemployment insurance program.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law on March 27, 2020. The CARES Act provided many new and extended UI benefit programs, which ESD administers. One program was the Pandemic Unemployment Assistance Program, providing UI benefits to self-employed individuals, workers with insufficient work history, and others who are not eligible for regular state UI benefits. Another program was the Federal Pandemic Unemployment Compensation (FPUC) program, which provided an additional \$600 per week of benefits. The FPUC expired at the end of July 2020. The Lost Wages Assistance (LWA) program was authorized through a presidential memorandum signed on August 8, 2020. The LWA program provided an additional \$300 per week of benefits for the weeks ending August 1st through 29th and September 5th. Many of the federal CARES Act programs continue through the Continued Assistance for Unemployed Workers Act, which was signed into law on December 27, 2020, for weeks of unemployment after 2020 through March 14, 2021.

During the COVID pandemic, UI claims, including claims under the new federal programs, increased substantially. ESD hired and trained new staff to process claims, including members of the national guard.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): ESD must create an annual training program to train qualified persons to perform as unemployment insurance claim adjudicators. The program must:

- be open to both state and other public employees and private citizens;
- be of sufficient quality that persons completing the training and any required continuing education would be ready to work as a UI claim adjudicator within one week of commencing employment with ESD; and
- provide a certification of completion to participants who complete the program.

The Office of Financial Management must collaborate with ESD to provide opportunities for state employees, who meet the minimum qualifications to work as unemployment insurance claim adjudicators, to participate in the annual trainings.

By October 1, 2021, and each year thereafter, ESD must provide a report to the Legislature on the number of persons with current adjudicator certifications.

Legislative findings are made.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony On Proposed Substitute: PRO: This bill would increase the number of adjudicators and expedite claim resolution. No one anticipated the unprecedented surge of volume of the UI claims. There was a lot of unfair criticism of ESD for a situation that no one could have anticipated. The thousands of claims overwhelmed ESD. This was compounded by the international fraud. This further delayed the claims process.

ESD hired hundreds of people. These are skilled positions. Adjudicators resolve disputes. You cannot just walk in off the street and do the work. It took a long time to build up capacity to meet the demand.

Having a trained, skilled work force ready seems logical. The trained staff could pivot their work to adjudicating UI claims and help with backlogs. This bill is a first step in improving the UI process.

OTHER: ESD had an economic cycle plan based on the Great Recession to prepare for the next downturn. They anticipated doubling the claims adjudicators. This was larger in scale than anticipated. The claim resolution requires trained adjudicators. More highly trained staff are needed to handle complex issues that newly trained staff do not have the skill set to manage. This would create a pool of certified trained people.

Persons Testifying: PRO: Senator Steve Conway, Prime Sponsor; Dennis Eagle, Washington Federation of State Employees; Sybill Hyppolite, Washington State Labor Council, AFL-CIO.

OTHER: Dan Zeitlin, Washington ESD.

Persons Signed In To Testify But Not Testifying: No one.