

FINAL BILL REPORT

SSB 5425

C 107 L 21
Synopsis as Enacted

Brief Description: Concerning extended benefits in the unemployment insurance system.

Sponsors: Senate Committee on Labor, Commerce & Tribal Affairs (originally sponsored by Senators Stanford, Das, Hasegawa, Keiser, Kuderer, Nguyen and Saldaña; by request of Employment Security Department).

Senate Committee on Labor, Commerce & Tribal Affairs
House Committee on Labor & Workplace Standards

Background: Unemployment Insurance Benefits. An unemployed individual is eligible to receive unemployment insurance (UI) benefits if the individual meets certain criteria. The Employment Security Department (ESD) administers the state's UI program, which must comply with various federal requirements.

Generally, an individual's claim for benefits must be drawn within the individual's benefit year, which is 52 weeks, beginning with the week the individual files a claim. An individual may not file a new claim until the benefit year is over, even if the individual has received all their benefits.

Federal acts adopted to address the COVID-19 pandemic have provided additional UI benefits to individuals. In general, the Pandemic Emergency Unemployment Compensation Act (PEUC) provides 24 weeks of additional benefits, through March 13, 2021, to eligible individuals who have exhausted their regular UI claims.

Extended Benefits Program. During periods of high unemployment, the Extended Benefits Program (EB) provides additional weeks of benefits to eligible individuals who have exhausted all their regular UI and other benefits, such as PEUC benefits.

Whether a state is in high unemployment, is based on statutory criteria that considers unemployment rates within a specified period. If the statutory criteria are met, the state's EB program is "triggered on." Depending on how high the unemployment rate is, the

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additional weeks of benefits range from 13 to 20 weeks. A state's EB period ends or "triggers off" when the criteria for being in the EB is no longer met. Once the EB period is off it cannot be triggered on again before the 14th week after the end of the prior EB period. Thus, there is a 13 week period between the time a state ends an EB period and when a subsequent EB period is triggered on again.

Generally, the federal government and the state share the cost of extended benefits under the Federal-State Extended Unemployment Compensation Act (EUCA) of 1970. Under the federal acts adopted to address the COVID-19 pandemic, the federal government is fully funding the state's EB program until March 13, 2021. The 50 percent paid by the federal government under the EUCA is subject to a 5.7 percent reduction starting with weeks ending on September 26, 2020 and ending with weeks ending on September 26, 2021.

Job Search Requirements. Typically, individuals receiving benefits under the EB program must comply with specific job search requirements. Extended benefits will be denied for any week the individual fails to accept an offer, or apply for, suitable work or fails to actively engage in seeking work. However, extended benefits will not be denied if the offer of work was not in writing and the position was not listed with ESD.

Summary: Extended Benefit Period Determination. Beginning November 1, 2020, through December 31, 2021, or subsequent date provided by ESD in rule, regarding the periods in which a state's extended benefit program may trigger on, the state must disregard the requirement that a subsequent extended benefit period may not commence until the 14th week following the end of a previous extended benefit period. Therefore, the state may trigger on into an extended benefits period without having to wait 13 weeks between extended benefit periods. ESD may not adopt a subsequent date by rule if the federal share of extended benefits is less than 50 percent minus any reductions required by the federal Budget Control Act of 2011.

Extended Benefits Eligibility. Beginning December 27, 2020, through April 12, 2021, or a subsequent date provided by ESD in rule, regarding an individual's eligibility period to receive extended benefits, an individual's eligibility period includes any week that is within an extended benefit period, after the individual has exhausted all PEUC benefits. Therefore, the individual may be eligible for extended benefits without regard to whether the individual's 52-week benefit period has expired.

Job Search Requirements. Regarding the job search requirements for individuals receiving compensation under the extended benefits program, extended benefits may not be denied for any week an individual fails to accept a job offer or apply for suitable work if either the job was not offered in writing or the job was not listed with ESD.

Votes on Final Passage:

Senate	46	3
House	94	4

Effective: April 16, 2021