

SSB 5193 - S AMD 152

By Senators King, Conway

ADOPTED 02/25/2021

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds with roughly
4 \$4,700,000,000 in the state unemployment insurance trust fund,
5 Washington entered the COVID-19 pandemic with one of the strongest
6 and best-funded trust funds in the nation. During an unprecedented
7 time, the state's unemployment insurance trust fund provided critical
8 economic support to Washington workers and businesses through
9 unemployment benefits and helped bolster the state's economy.

10 The legislature recognizes that the employment security
11 department maintains a recession readiness team that prepares the
12 agency to respond to economic changes, helping employers and
13 employees plan for the future. Based on experience with past
14 recessions, the employment security department's readiness team
15 prepared contingency plans for a possible economic crisis. During the
16 great recession, there were approximately 61,000 continued
17 unemployment insurance claims in September 2008, rising to a high of
18 approximately 173,000 claims in January of 2010, a period of 16
19 months. During the first three months of COVID-19, unemployment
20 insurance claims were more than double those filed during the great
21 recession, a time period that was seven times longer. From February
22 2020 to April 2020, unemployment insurance claims went from
23 approximately 62,000 to approximately 447,000 claims. The sudden
24 magnitude of claimants overwhelmed the system; contributing to
25 Washingtonians waiting months for their earned benefits and facing
26 deep economic insecurity.

27 The legislature finds that, despite conscientious economic
28 emergency planning by the employment security department, claims
29 processing issues are central problems encumbering the employment
30 security department's ability to timely meet a suddenly increased
31 demand for benefits. Immediate additional measures to facilitate
32 rapid and equitable provision of unemployment benefits now, and

1 enhanced preparation to do so in future economic downturns or
2 emergencies, are critically important.

3 The legislature further finds that a federal retroactive funding
4 model that looks back instead of preparing for potential economic
5 shocks ahead was a major contributing factor to the challenges faced
6 by all states during the COVID-19 pandemic in quickly paying benefits
7 to unemployed workers. Our employment security department cannot
8 quickly scale up for increased workloads and new programs if its
9 administrative funding is based on funding that looks backward
10 instead of forward.

11 Amid an unprecedented need for benefits and stresses on our
12 unemployment insurance program, the legislature intends to create a
13 pool of qualified unemployment insurance claim adjudicators, reduce
14 claimants' need for assistance, assure transparency of claims
15 processing performance measures, and make other system enhancements.
16 Together, these systems enhancements will ensure quicker claim
17 resolution and benefit payment; thus providing critical economic
18 support during future unemployment crises.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 50.12
20 RCW to read as follows:

21 (1) The employment security department must create a training
22 program to prepare a reserve force of skilled unemployment insurance
23 claim adjudicators who can be available quickly when claims volume
24 demands.

25 (2) The program must:

26 (a) Be open to both state and other public employees and private
27 citizens;

28 (b) Be of sufficient quality that persons completing the training
29 and any required continuing education would be ready to work as an
30 unemployment insurance claim adjudicator within one week of
31 commencing employment with the employment security department; and

32 (c) Provide a certification of completion to participants who
33 complete the program.

34 (3) The office of financial management must collaborate with the
35 employment security department to assist the department in
36 identifying agencies with current state employees who meet the
37 minimum qualifications for unemployment insurance claims'
38 adjudicator. Employees at other agencies, who meet the minimum
39 qualifications of the unemployment insurance claims' adjudicator

1 classification, may, upon approval of their agency, attend required
2 training provided by the department. In designated times of high
3 unemployment claims, current state employees who have completed
4 required training and who are otherwise qualified may be selected to
5 assist the department in processing unemployment insurance claims or
6 related activities. The office of financial management may adopt
7 rules or issue guidance to assist in the implementation of this
8 provision.

9 (4) By October 1, 2021, and each year thereafter, the employment
10 security department must provide a report to the house of
11 representatives committee on labor and workplace standards and the
12 senate committee on labor, commerce, and tribal affairs, or successor
13 committees, on the number of persons with current certifications
14 under subsection (2)(c) of this section, the number of people
15 employed by the department and over what period of time, and the
16 adjudicator training and hiring costs.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 50.12
18 RCW to read as follows:

19 (1) The department must designate department employees to assure
20 that letters, alerts, and notices produced manually or by the
21 department's unemployment insurance technology system are written in
22 plainly understood language and tested on claimants before they are
23 approved for use. Criteria for approval must include
24 comprehensibility, clarity, and readability. If the messaging of any
25 letter, alert, or notice falls short of those criteria, manual
26 methods of producing a comprehensible version shall be considered
27 while the department waits for their unemployment insurance
28 technology system to incorporate required modifications.

29 (2) Determinations and redeterminations must clearly convey
30 applicable statute numbers, a brief explanation of pertinent law,
31 outline of relevant facts, reasoning, decision, and result.

32 (3) The department will work with an unemployment insurance
33 advisory committee comprised of business and worker advocates to
34 explore:

35 (a) Establishing thresholds that will trigger automatic
36 adjustments in department staffing assignments and phone agent
37 staffing levels;

1 (b) Establishing a pilot to provide a caseworker approach to the
2 claims of a group of claimants with that casework carrying over to
3 reemployment services;

4 (c) Increasing language access, including by providing
5 translation of notices sent to claimants as part of their
6 unemployment insurance claims; and

7 (d) Frequency of the initial and continuing training to meet the
8 needs of section 2 of this act.

9 (4) Dedicated toll-free phone lines must be established for
10 claimants who lack computer skills or access to computers, claimants
11 with disabilities, and claimants with limited English proficiency.

12 NEW SECTION. **Sec. 4.** A new section is added to chapter 50.12
13 RCW to read as follows:

14 When the average rate of total unemployment in the state,
15 seasonally adjusted, as determined by the United States secretary of
16 labor, for the period consisting of the most recent three months for
17 which data for all states are published before the close of the week
18 equals or exceeds five percent, the department must:

19 (1) Maintain an online data dashboard.

20 (2) Provide quarterly reports with performance metrics that
21 include:

22 (a) Updates of unemployment rates;

23 (b) Total numbers of claims paid, amount compensated, claims
24 denied, claims pending in adjudication, claims on which payment has
25 been halted for review, pending appeals, appeals redetermined by the
26 department, and appeals sent to the office of administrative
27 hearings;

28 (c) Claims center phone statistics including call volume, hold
29 times, abandoned calls, repeat calls, and all-circuits-busy messages
30 for both claimants and employers;

31 (d) Ratio of staff phone agents to employers and ratio of staff
32 phone agents to claimants;

33 (e) Number and dollar total of overpayments imposed and
34 overpayment waiver approval rate; and

35 (f) The percentage of unemployed persons in the state receiving
36 benefits (reciprocity rate).

1 NEW SECTION. **Sec. 5.** (1) The unemployment insurance legislative
2 work group is established. The work group consists of the following
3 members:

4 (a) Two members from each of the two largest caucuses of the
5 senate appointed by the president of the senate; and

6 (b) Two members from each of the two largest caucuses of the
7 house of representatives appointed by the speaker of the house of
8 representatives.

9 (2) The employment security department must:

10 (a) Meet with the unemployment insurance legislative work group
11 at least quarterly to:

12 (i) Inform the members of the progress in implementing this act;
13 and

14 (ii) Report on any new federal programs or funds received by the
15 department for unemployment compensation and administration and the
16 use of such funds; and

17 (b) Provide information and research unemployment issues as
18 requested by members of the work group.

19 (3) The work group must choose a chair or cochair from among its
20 legislative membership. The chair is, or cochair is, responsible
21 for convening the meetings of the work group no less than quarterly
22 each year. The work group must, at least:

23 (a) Review the department's software and technology issues,
24 including issues causing claim delays, inaccurate automated
25 notifications;

26 (b) Review the department's protocols and process for protecting
27 sensitive data;

28 (c) Consider ways to support the unemployment insurance advisory
29 committee provided for in section 3(3) of this act;

30 (d) Consider ways to assist claimants and businesses during times
31 when additional adjudicators are needed or times of high
32 unemployment; and

33 (e) Consider other relevant issues, as determined by the work
34 group.

35 (4) This section expires December 1, 2022."

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1 On page 1, line 4 of the title, after "metrics;" strike the
2 remainder of the title and insert "adding new sections to chapter
3 50.12 RCW; creating new sections; and providing an expiration date."

EFFECT: Modifies the responsibilities of OFM regarding identifying state employees for unemployment insurance claims' adjudicators. Allows state employees to attend adjudicator training and to assist with claims processing in times of high unemployment claims. Modifies reporting requirements to the legislature to include adjudicator training and hiring costs. Provides for ESD to work with an advisory committee of business and worker advocates on increasing language access, the frequency of training, along with other matters. Removes translation of unemployment insurance notices. Makes the requirements for an online dashboard and quarterly metrics reports required when the state's unemployment rate is 5 percent or more. Removes the provisions regarding ESD consulting with other agencies on its economic cycle and cross-agency plans. Provides a list of issues for the unemployment insurance legislative work group.

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