
SUBSTITUTE HOUSE BILL 1487

State of Washington

67th Legislature

2021 Regular Session

By House Labor & Workplace Standards (originally sponsored by Representatives Bronoske, Berry, Wicks, Fitzgibbon, Lovick, Kirby, Santos, Shewmake, Lekanoff, Leavitt, Senn, Paul, Peterson, Sells, Ramel, Callan, Valdez, Tharinger, Ormsby, Chopp, Harris-Talley, Berg, and Pollet)

1 AN ACT Relating to unemployment insurance systems enhancements,
2 including creating a reserve force of unemployment claim
3 adjudicators, effective and equitable claims processing, and
4 transparent performance metrics; adding new sections to chapter 50.12
5 RCW; creating new sections; and providing an expiration date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

14 The legislature recognizes that the employment security
15 department maintains a recession readiness team that prepares the
16 agency to respond to economic changes, helping employers and
17 employees plan for the future. Based on experience with past
18 recessions, the employment security department's readiness team
19 prepared contingency plans for a possible economic crisis. During the
20 great recession, there were approximately 61,000 continued
21 unemployment insurance claims in September 2008, rising to a high of

1 approximately 173,000 claims in January of 2010, a period of 16
2 months. During the first three months of COVID-19, unemployment
3 insurance claims were more than double those filed during the great
4 recession, a time period that was seven times longer. From February
5 2020 to April 2020, unemployment insurance claims went from
6 approximately 62,000 to approximately 447,000 claims. The sudden
7 magnitude of claimants overwhelmed the system; contributing to
8 Washingtonians waiting months for their earned benefits and facing
9 deep economic insecurity.

10 The legislature finds that, despite conscientious economic
11 emergency planning by the employment security department, claims
12 processing issues are central problems encumbering the employment
13 security department's ability to timely meet a suddenly increased
14 demand for benefits. Immediate additional measures to facilitate
15 rapid and equitable provision of unemployment benefits now, and
16 enhanced preparation to do so in future economic downturns or
17 emergencies, are critically important.

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

26 Amid an unprecedented need for benefits and stresses on our
27 unemployment insurance program, the legislature intends to create a
28 pool of qualified unemployment insurance claim adjudicators, reduce
29 claimants' need for assistance, assure transparency of claims
30 processing performance measures, and make other system enhancements.
31 Together, these systems enhancements will ensure quicker claim
32 resolution and benefit payment; thus providing critical economic
33 support during future unemployment crises.

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

36 (1) The employment security department must create an annual
37 training program to prepare a reserve force of skilled unemployment
38 insurance claim adjudicators who can be available quickly when claims
39 volume demands.

1 (2) The program must:

2 (a) Be open to both state and other public employees and private
3 citizens;

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

8 (c) Provide a certification of completion to participants who
9 complete the program.

10 (3) The office of financial management must collaborate with the
11 employment security department to provide opportunities for state
12 employees, who meet the minimum qualifications to work as an
13 unemployment insurance claim adjudicator, to participate in the
14 annual trainings.

15 (4) By October 1, 2021, and each year thereafter, the employment
16 security department must provide a report to the house of
17 representatives committee on labor and workplace standards and the
18 senate committee on labor, commerce, and tribal affairs, or successor
19 committees, on the number of persons with current certifications
20 under subsection (2)(c) of this section, as well as how many were
21 employed by the department and over what period of time.

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

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

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

37 (3) The department will work with an advisory committee comprised
38 of unemployment insurance advocates to explore establishing:

1 (a) Thresholds that will trigger automatic adjustments in
2 department staffing assignments and phone agent staffing levels;

3 (b) A pilot to provide a caseworker approach to the claims of a
4 group of claimants with that casework carrying over to reemployment
5 services.

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

9 (5) The department must provide translation of notices sent to
10 claimants as part of their unemployment insurance claims into any of
11 the top 10 languages utilized in the state.

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

14 (1) The department must maintain an online data dashboard.

15 (2) The department must provide quarterly reports with
16 performance metrics that include:

17 (a) Weekly updates of unemployment rates;

18 (b) Total numbers of claims paid, amount compensated, claims
19 denied, claims pending in adjudication, claims on which payment has
20 been halted for review, pending appeals, appeals redetermined by the
21 department, and appeals sent to the office of administrative
22 hearings;

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

26 (d) Ratio of staff phone agents to employers and ratio of staff
27 phone agents to claimants;

28 (e) Number and dollar total of overpayments imposed and
29 overpayment waiver approval rate; and

30 (f) The percentage of unemployed persons in the state receiving
31 benefits (reciency rate).

32 NEW SECTION. **Sec. 5.** A new section is added to chapter 50.12
33 RCW to read as follows:

34 (1) Within existing state resources and any available federal
35 funds, the department may consult with the other state agencies,
36 including the department of labor and industries, department of
37 commerce, and department of social and health services, to further
38 the department's economic cycle plan and build a cross-agency plan.

- 1 (2) Economic cycle planning must include the following topics:
2 (a) Impacts of various economic impact thresholds and triggers;
3 (b) Resources needed to scale support for claimants and
4 employers; and
5 (c) How to address the needs of those most vulnerable during an
6 economic crisis, including those with limited English proficiency,
7 those without digital access, and those belonging to other
8 marginalized communities.
9 (3) The department must conduct regular drills to practice their
10 response to emergency economic conditions.

11 NEW SECTION. **Sec. 6.** (1) The unemployment insurance legislative
12 work group is established. The work group consists of the following
13 members:

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

16 (b) Two members from each of the two largest caucuses of the
17 house of representatives appointed by the speaker of the house of
18 representatives.

19 (2) The employment security department must:

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

22 (i) Inform the members of the progress in implementing this act;
23 and

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

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

29 (3) The work group must choose a chair or cochaIRS from among its
30 legislative membership. The chair is, or cochaIRS are, responsible
31 for convening the meetings of the work group no less than quarterly
32 each year.

33 (4) This section expires December 1, 2022.

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