

A photograph showing the silhouettes of several people standing in a room with large windows. The sun is shining through the windows, creating a bright glow and long shadows. The people appear to be in a meeting or collaborative work environment.

Unemployment Insurance ADVISORY COMMITTEE



Employment Security Department
WASHINGTON STATE

Agenda



- I. Approval of Oct. 30, 2024 meeting minutes
- II. OAH Appeals Update
- III. Legislative & Government Affairs Updates
- IV. Labor market presentation
- V. Nov. Trust Fund Report
- VI. Project/Portfolio report out
- VII. Rulemaking Update
- VIII. Public comment
- IX. Adjourn

OAH Appeals Update



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Brendon Tukey, Deputy Chief Administrative Law Judge, OAH

UI Appeals: The Backlog is Done!



Inventory – Then & Now

- Pre-Pandemic (Nov 30, 2019): 2,392 cases.
- Peak Inventory (March 2022): 46,129 cases.
- Inventory as of Nov 30, 2024: 2,298 cases.

Average processing time pre-pandemic vs post-pandemic

- 2019: 28.09 Days.
- Peak pandemic processing time (May 2024): 240.59 days.
- As of Nov 2024: 22.53 days.
- **Made DOL Metrics in Oct & Dec – first since Dec 2019**
 - Oct: 72% w/in 30, 86% w/in 45
 - Nov: 82% w/in 30, 94% w/in 45

Average monthly intake pre-pandemic vs post-pandemic

- 2019: 2,473 / month.
- 2023: 3,323 / month.
- As of Nov 2024: 3,439 / month.
 - Down substantially over last three months: 2,551 average across Sep, Oct, Nov

UI Appeals: Looking Forward



- Intake seems to be reverting to pre-pandemic “normal”.
- We are no longer scheduling group dockets or using Brief Adjudicative Proceedings (BAPs) and have reduced caseloads per ALJ – effectively building reserve capacity.
- Focused on consistently making DOL metrics:
 - Prior to pandemic we missed more often than not.
 - Team effort with ESD.
 - Need to keep ADHS in the mid-20 day range or lower to ensure success.

Legislative & Government Affairs Updates



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Josh Dye, Interim Government Relations Director, ESD



Legislative & Government Affairs Updates



Reports

Minimum Weekly Benefit Amount Report

- No comments received from committee members

Federal Funding Shortfall Report

- Submitted to OFM for review

Updates

Commissioner Feek has been reappointed by Governor-elect Ferguson

Labor and Workplace Standards

- UI Service Update and Overview of 2025 Legislative Requests.
- presented Dec 10 during Assembly Days

Labor market report



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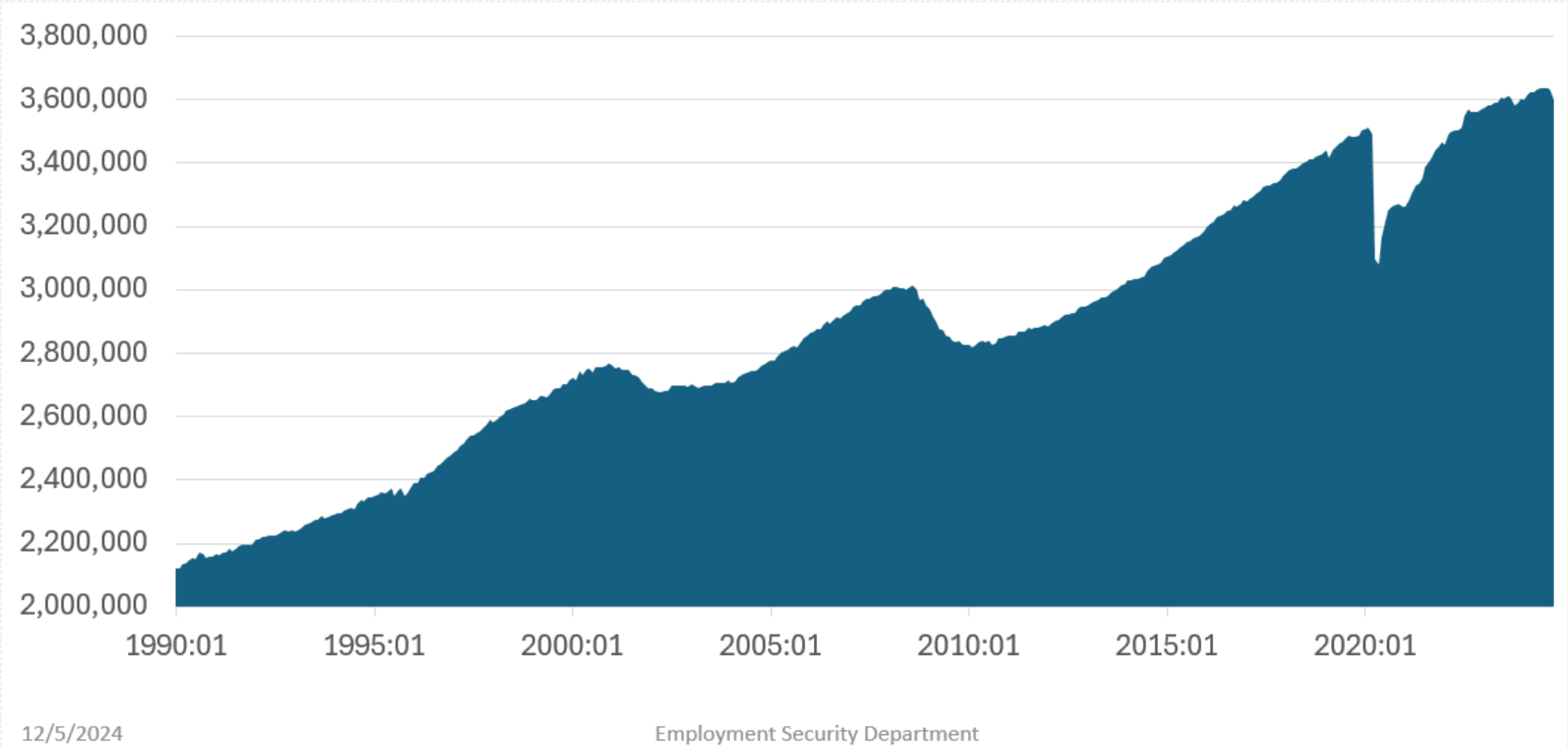
Anneliese Vance-Sherman, Chief Labor Economist, ESD



Labor market report



Job recovery after the pandemic was swift

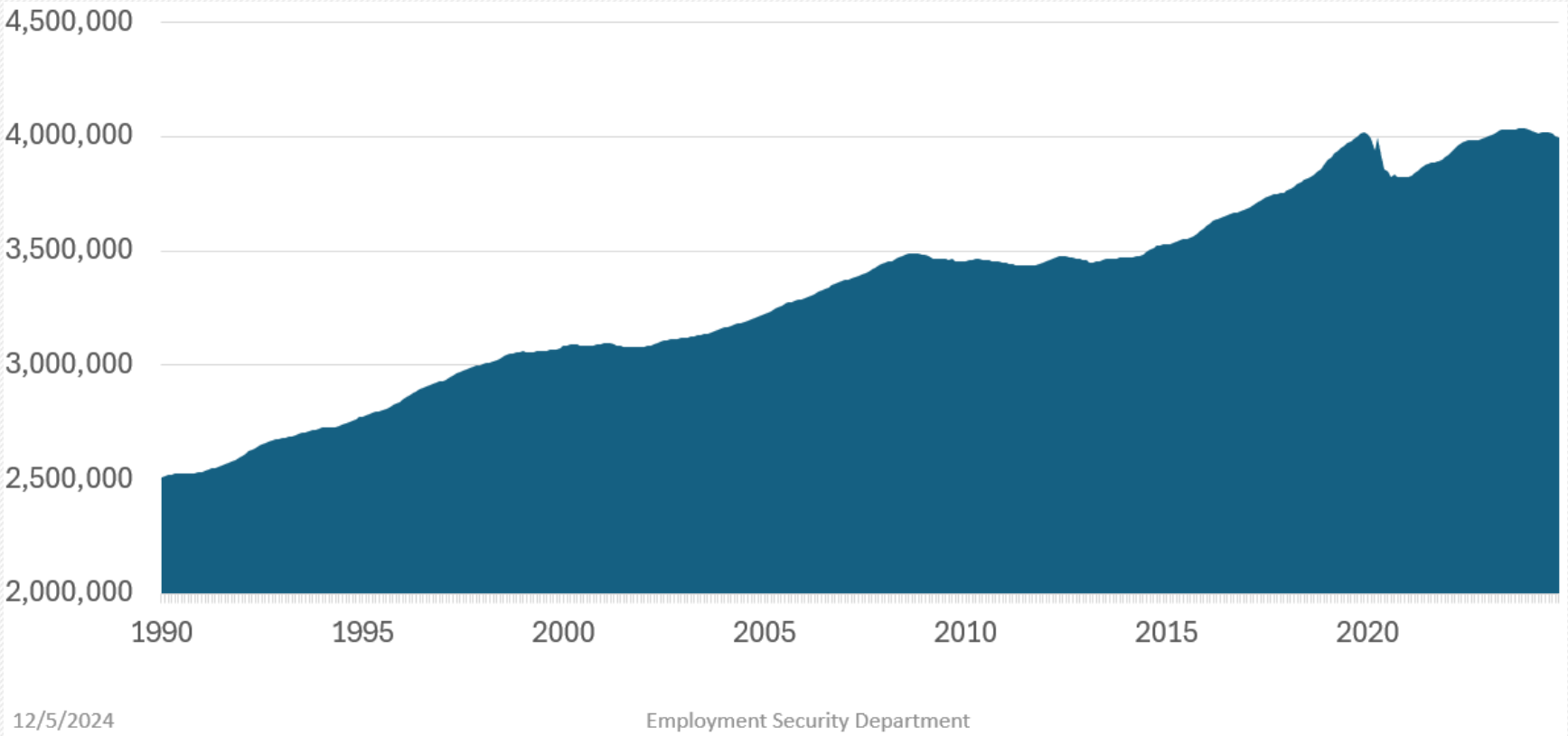




Labor market report



Washington's labor force recovered more slowly

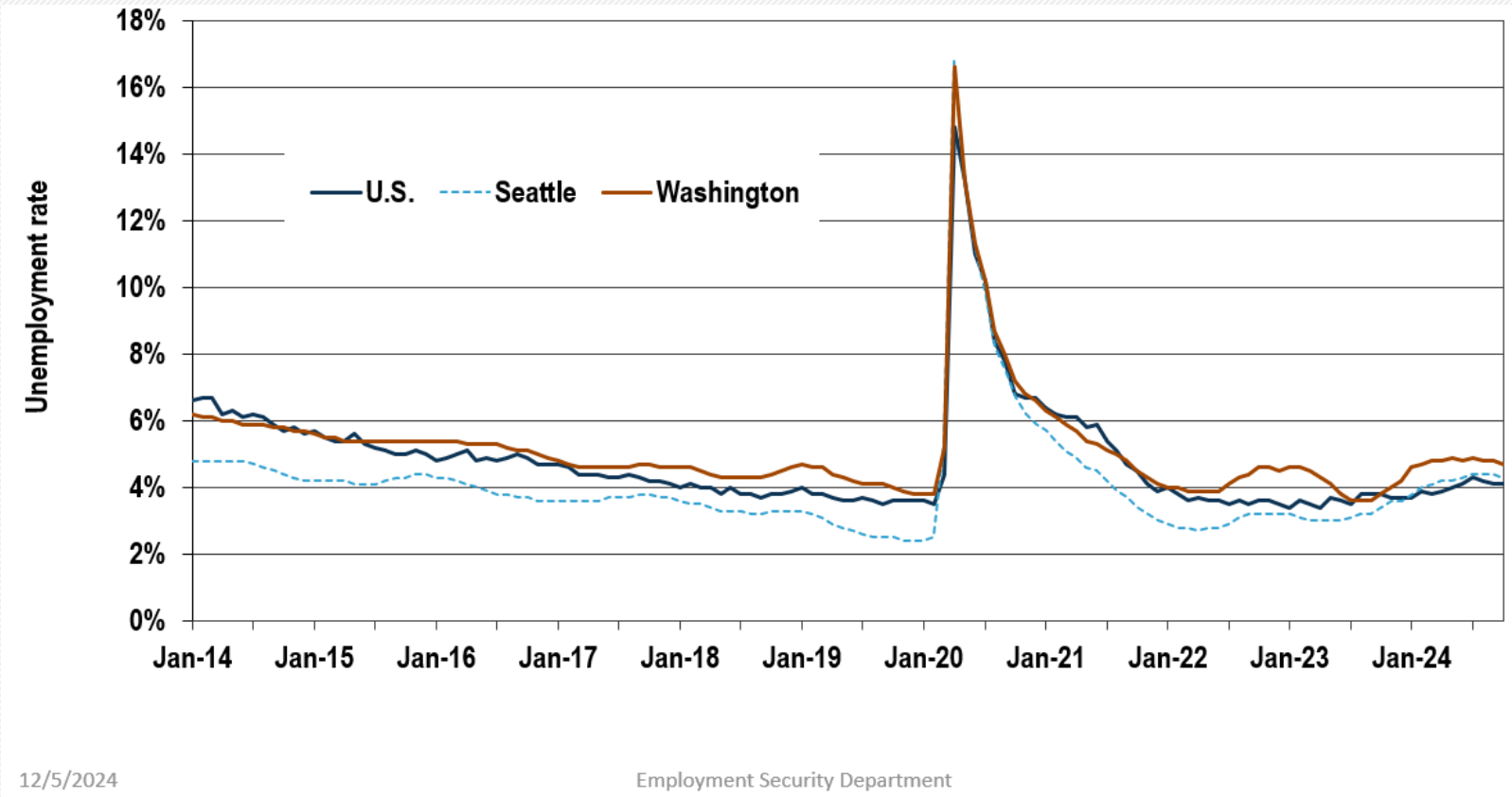




Labor market report



The Unemployment rate was 4.7% in October

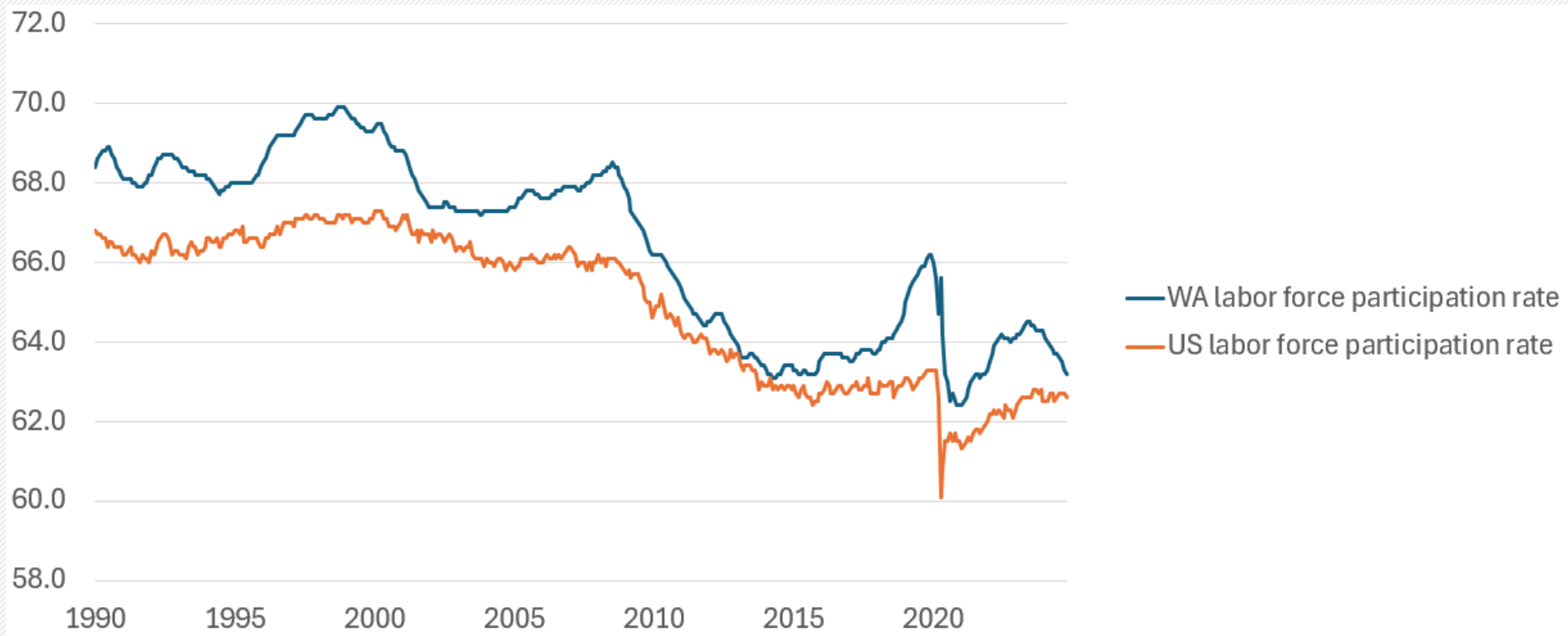




Labor market report



The labor force participation rate has been dropping

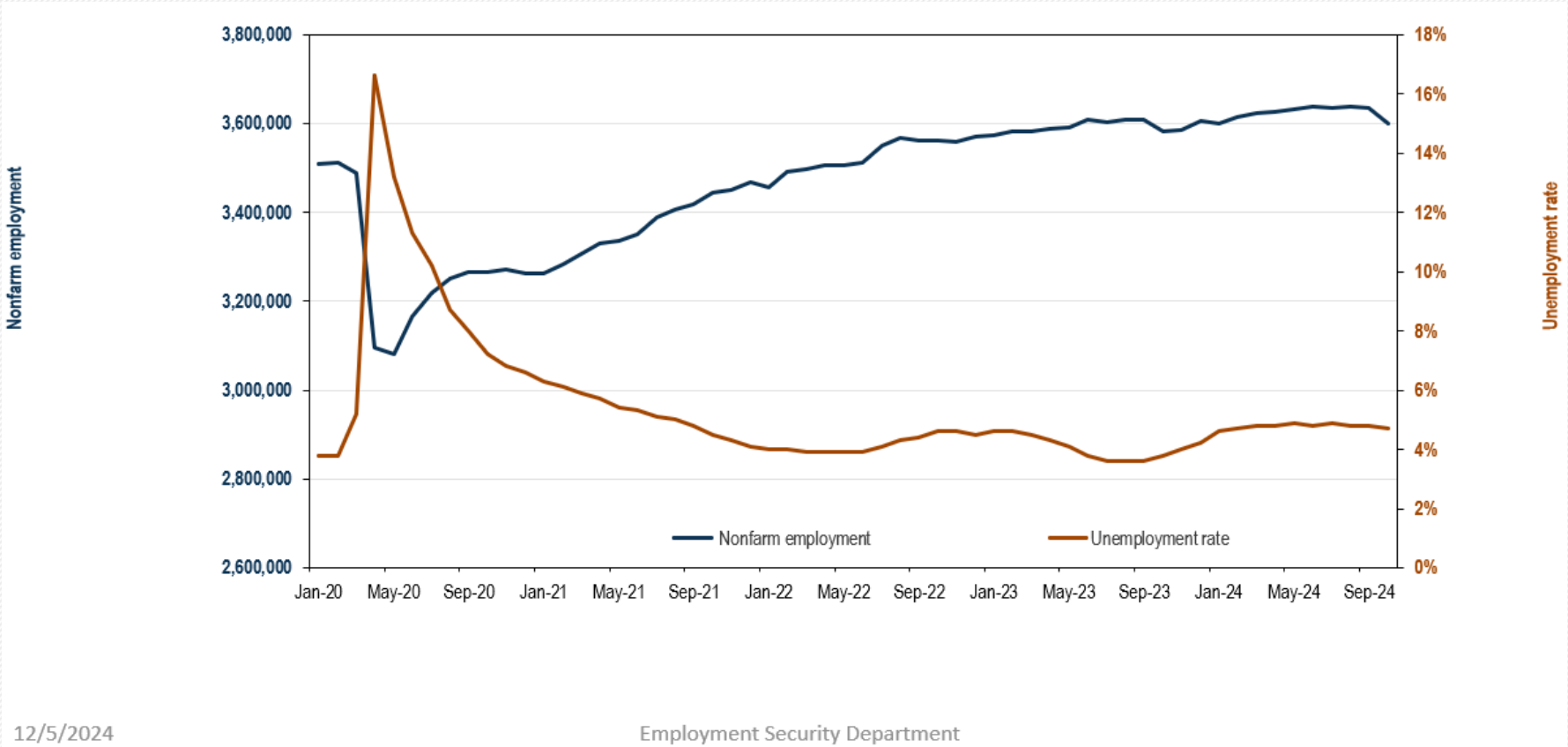




Labor market report



Payroll employment and the unemployment rate have been relatively steady

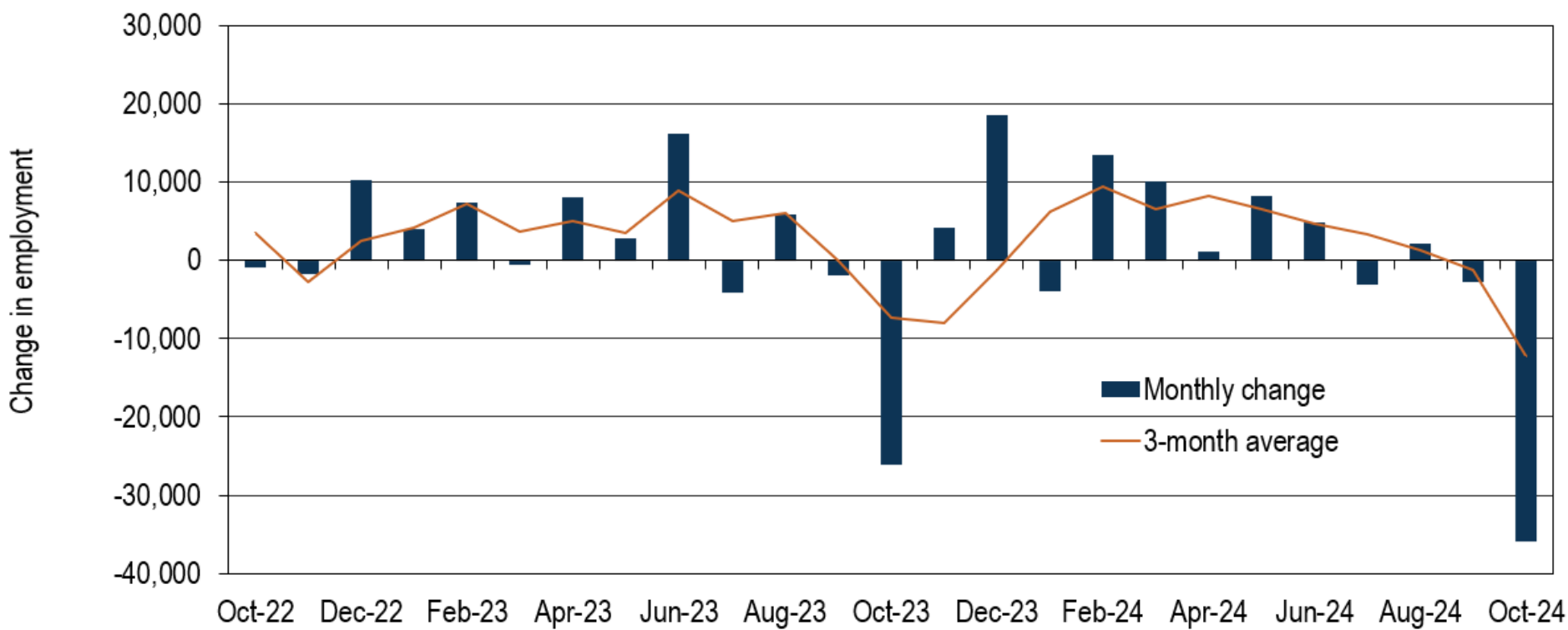




Labor market report



Washington lost 35,900 jobs in October





30%

Employment trends by sector

February 2020 = 100%



120%

110%

100%

90%

80%

70%

60%

50%

Jan-20 Mar-20 May-20 Jul-20 Sep-20 Nov-20 Jan-21 Mar-21 May-21 Jul-21 Sep-21 Nov-21 Jan-22 Mar-22 May-22 Jul-22 Sep-22 Nov-22 Jan-23 Mar-23 May-23 Jul-23 Sep-23 Nov-23 Jan-24 Mar-24 May-24 Jul-24 Sep-24

- WA Total Nonfarm
- WA Construction
- WA Manufacturing
- WA Wholesale Trade
- WA Retail Trade
- WA Transportation and Warehousing
- WA Information
- WA Financial Activities
- WA Professional and Business Services
- WA Education and Health Services
- WA Leisure and Hospitality

Employment trends by sector

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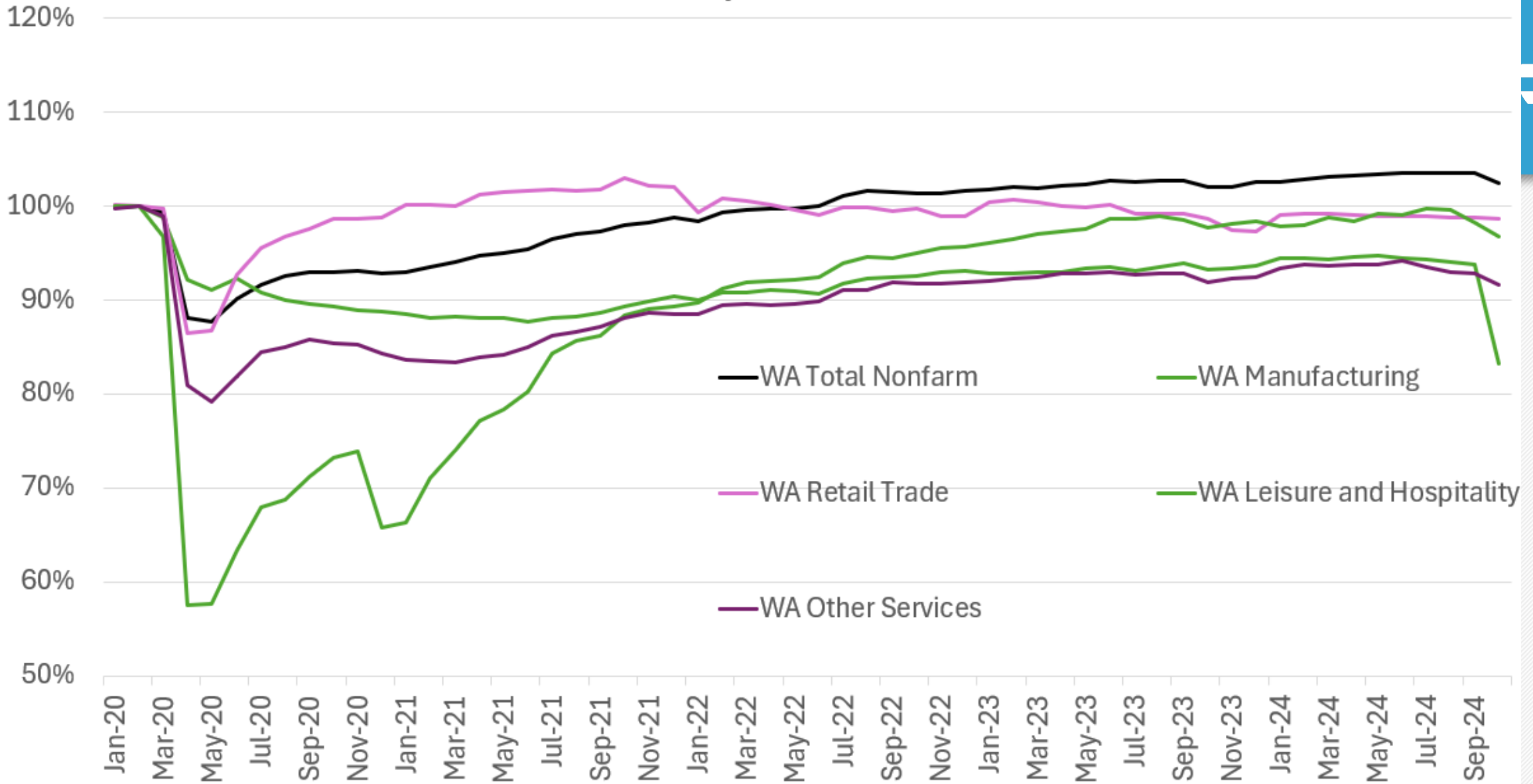
50%

- WA Transportation and Warehousing
- WA Information
- WA Financial Activities
- WA Professional and Business Services
- WA Education and Health Services

Jan-20 Mar-20 May-20 Jul-20 Sep-20 Nov-20 Jan-21 Mar-21 May-21 Jul-21 Sep-21 Nov-21 Jan-22 Mar-22 May-22 Jul-22 Sep-22 Nov-22 Jan-23 Mar-23 May-23 Jul-23 Sep-23 Nov-23 Jan-24 Mar-24 May-24 Jul-24 Sep-24

Employment trends by sector

February 2020 = 100%





Labor market report



12-month employment changes

Total nonfarm	9,100
Government	24,300
Education and health services	21,200
Transportation, warehousing and utilities	3,000
Professional and business services	2,600
Wholesale trade	2,300
Construction	500
Mining and logging	-200
Information	-1,100
Other services	-1,300
Financial activities	-1,400
Retail trade	-1,800
Leisure and hospitality	-5,300
Manufacturing	-29,100



Labor market report



One-month employment changes

Total nonfarm	-35,900
Government	2,400
Education and Health Services	1,800
Information	500
Professional and Business Services	300
Mining and logging	0
Financial Activities	0
Retail Trade	-400
Wholesale Trade	-600
Construction	-800
Transportation, Warehousing and Utilities	-1,200
Other Services	-1,500
Leisure and hospitality	-5,400
Manufacturing	-31,000

Employment Security Department



Labor market report



Questions now or later?

Anneliese Vance-Sherman, Ph.D.

Chief Labor Economist

Labor Market Information and Research Division

Employment Security Department

Anneliese.Vance-Sherman@esd.wa.gov

November Trust Fund Report



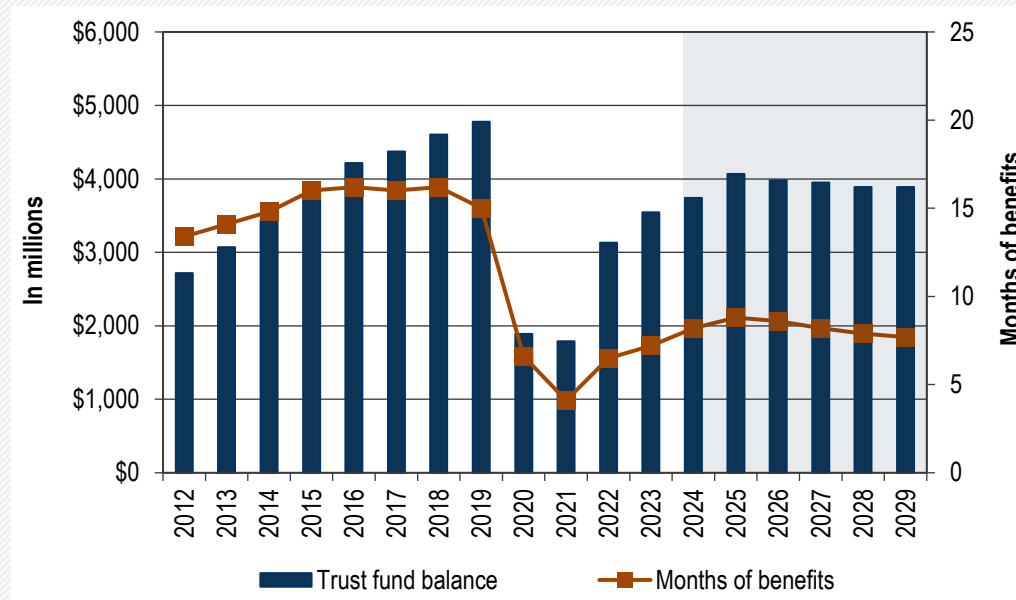
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Vaughn Ellis, Actuarial Analyst, Office of Actuarial Services

Unemployment Insurance Trust Fund



On December 1, the UI trust fund held approximately \$3.86 billion, and we project a balance of \$3.74 billion as end of 2024

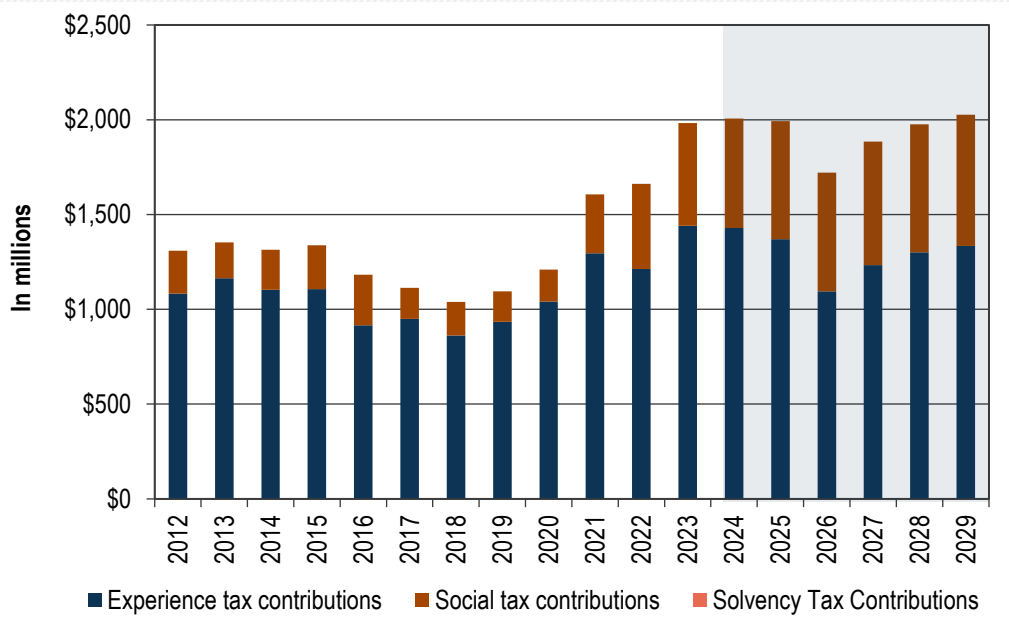




Employer Contributions



Projected Employer Contributions	September 2024	November 2024
2024	\$2.0 Billion	\$2.0 Billion
2025	\$2.0 Billion	\$2.0 Billion

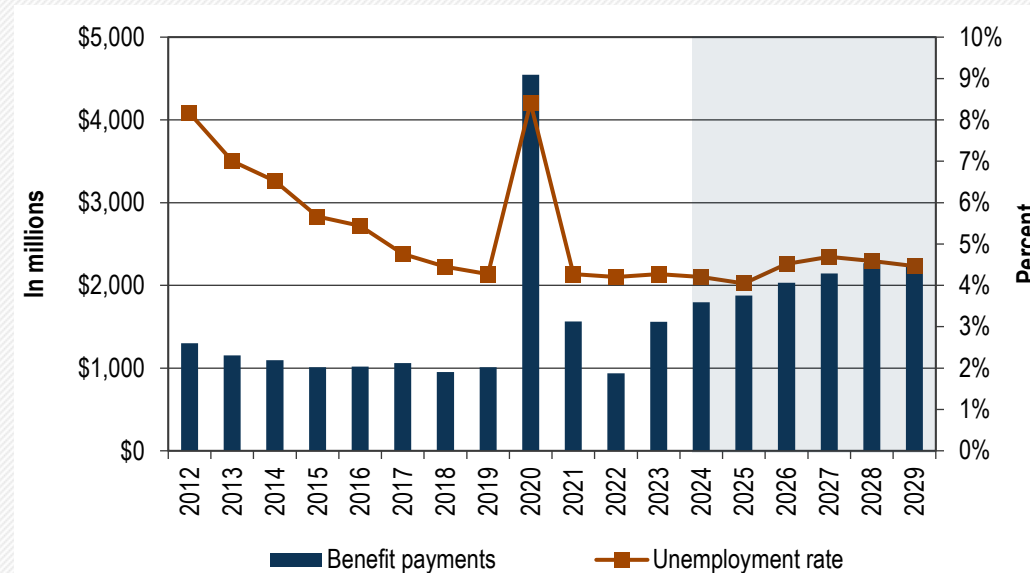




Total Benefit Payments



Projected Benefit Payments	September 2024	November 2024
2024	\$1.8 Billion	\$1.8 Billion
2025	\$1.8 Billion	\$1.9 Billion



Project / Portfolio report out

JR Richards, UI Customer Service Director, ESD



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UI Project/Portfolio report out



Project	Status	Project	Status
1. UI Peak Mitigation	On Target	6. ARPA – UI Equity Grant – Customer Experience Data Product	On Target
2. Pandemic Era Overpayment Relief	On Target	7. Tiger Teams funding – Intake Standard Work Documentation	On Target
2. Bill 5187 (Proviso 225/226) Dedicated Overpayment Processing	On Target	8. Tiger Teams funding – Workers and Employers Handbooks	On Target
3. Bill 1106 (2023) Voluntary Quits	On Target	9. Tiger Teams funding – Customer Journey mapping	On Target
4. US Bank Employer Refund Management	At Risk	10. Tiger Teams funding – Online Videos & Apprenticeship materials	On Target
5. ARPA – UI Equity Grant – Translation Services	On Target	EAMS (Employer Account Management System) Improvement	On Target

UI Project/Portfolio report out



- Up Next
 - Tax data accuracy project
 - SHB 1570 (2023) Transportation Network Companies – 25% reduction hours/wages
 - Operating Budget (2024) Sec 225(43) Demographic Data
 - WIT UI Interface

Rulemaking Update



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Stephanie Frazee, Legislation and Rules Coordinator, ESD



Rulemaking Update



- **Address Change Requirement** - We are adding an explicit requirement that employers provide their new address to the Department within 30 days after an address change. We are reviewing comments to the CR 101 and are working on draft rule language.
- **Space Force** – We are updating the rule on mandatory military transfers to include all members of the U.S. Armed Forces, including Space Force. We have filed the CR 101 and shared draft rule language. Comments are due December 6.
- **Rescinding Withdrawal of Appeal** – Working on a process and standard of review for situations where a claimant or employer withdraws an appeal and later wishes to request to reinstate the appeal. Hearing was held on December 2, 2024. We are drafting the CR 103.

Rulemaking Update



- **Relief of Benefit Charges** – Updating our rule to mirror the statutory language. CR 101 has been filed, published on our website, and shared via GovDelivery. Working on draft language.
- **Transportation Network Companies (HB 1570)** – Drafted rules concerning relief of benefit charges for part-time workers and potential other rules needed to implement bill. These have been published on our website and shared via GovDelivery.

Public Comment



- If you would like to make public comment, please state your name and spell it so we can capture it correctly for the minutes, as well as the organization you represent if any.
- **Reminder:** Your comments are being recorded.
- If you would like your comments to be included in the meeting minutes, please submit them in writing via email to Camille Galeno at camille.galeno@esd.wa.gov. *(Camille's email will be posted in the chat)*
- Please limit your comments to **two minutes**.

Thank you

Unemployment Insurance ADVISORY COMMITTEE



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**Break
Return at ()**