

**Voluntary Quit Decisions in the Unemployment Insurance Program:
Before and After Implementation of Second Engrossed Senate Bill 6097**

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Executive Summary

- In exercising a partial veto of Second Engrossed Senate Bill 6097 (referred to as 6097) in 2003, then-Governor Locke directed the Employment Security Department (ESD) to prepare a report on the effects of limiting Unemployment Insurance (UI) benefits to people who voluntarily quit for ten specific reasons. These new limits cover claims effective on and after January 4, 2004.
- There were several constraints on the findings. The law was implemented in January 2004 and the study was due in June, 2005. Because many claims studied expire later in 2005, the full effect of the law cannot yet be determined – neither on the Unemployment Trust Fund nor from the court’s construction of the law. Timing also limited the size of the observable population. Almost 17,000 voluntary quit decisions were analyzed, which allowed conclusions to be confidently drawn from the population as a whole. However, those who were denied under the new law but would have been allowed under the old law (a key subgroup analyzed) numbered only 1,989. Because the demographic cohorts for that population resulted in numbers that were in many cases very small, analysis of subgroups must be viewed with less certainty.
- ESD studied allowances and denials on voluntary quit decisions made on claims in 2004 and compared the results under the “new” law (post-6097) with what the outcome would have been under the “old” law (pre-6097). To ensure data validity, the study was limited to decisions issued during the six-month period from July through December 2004. This time frame allowed adjudicators six months to become proficient in applying the new law and tracking methods.
- Data was analyzed using variables such as gender, race, age, language preference, education, residence, union status, occupation, and industry of the job separation.
- Under the new law, 73% of voluntary quit decisions were denied. Under the old law, 61% would have been denied. This increase over the old rate was not unexpected given the narrower scope under the new law of reasons that constitute “good cause” for quitting. Looking demographically at all denials under the new law compared to what they would have been under the old law, differences within each subgroup could be explained as variations caused by chance.
- Of the 16,825 total voluntary quit allowance and denial decisions studied, 1,989 decisions denied UI benefits to individuals under the new law for reasons that would have been allowed under the old law. (There is no scenario where claimants would be allowed under the new law but denied under the old law.) These 1,989 are the only decisions with different outcomes using the new law versus the old law and, therefore, best represent the impact of the new law. An examination of these denials revealed that the outcomes by gender, age, education, industry, and occupation could not necessarily be explained as variations caused by chance.
- The reasons for quitting represented by the 1,989 denials that would have been allowed under the old law can be summarized as follows:
 - Work-related conditions (41%)
 - Marital or domestic responsibilities (33%)
 - Illness or disability of claimant or immediate family (26%)
- The precise effect of the new law on the UI Trust Fund cannot be calculated at this time. The maximum benefits payable to the 1,617 individuals who accounted for the 1,989 denials that would have been allowed under the old law was \$10.8 million. Of these 1,617 individuals, 308 (about 19%) subsequently requalified for benefits, with an average weekly benefit amount of \$261 and total benefits of \$1.02 million paid out as of June 11, 2005. Others may eventually requalify and receive payments before the expiration date of their claims later in 2005. Thus, it is too soon to estimate the net impact to the Trust Fund.

Introduction

Second Engrossed Senate Bill 6097¹ was signed into law by then-Governor Gary Locke on June 20, 2003. Section 4 amended RCW 50.20.050, which defines denial and allowance of benefits for individuals who leave work voluntarily. It was amended to specify ten reasons for which an individual would not be disqualified from benefits after voluntarily quitting a job. This specificity is in contrast to the broader language under the old law, which allowed claims adjudicators to consider other circumstances of the case when making a decision to allow or deny benefits.

In exercising a partial veto, the Governor expressed concerns about the potential for the impacts on individuals due to the application of the amendments of Section 4. Accordingly, he directed the Employment Security Department (ESD) to identify impacts associated with the amendments in Section 4 of 6097 and report its findings to the Office of the Governor by June 30, 2005.²

Benefit Eligibility in Voluntary Quit Situations

In both old and new state law, RCW 50.20.050 states that benefits should be denied for individuals who leave work voluntarily unless good cause is shown (See Appendix A). Good cause can be established for either work-related or personal reasons. Individuals determined to have left work without good cause are denied benefits for a period of seven weeks and until they have returned to work in covered employment and have earned at least seven times their weekly benefit amount.

Prior to 6097, good cause could be established for a variety of reasons, and the law directed ESD to consider work-connected factors such as the degree of risk involved to the individual's health, safety and morals; the physical fitness for the work; the ability to perform the work; and other work-connected factors deemed pertinent. Other factors could be considered if circumstances had changed and amounted to a substantial involuntary deterioration of the work conditions or if circumstances would place an unreasonable hardship on the individual. The law granted good cause if the individual left work to accept bona fide work; if the separation was due to the illness or disability of the claimant or death, illness or disability of an immediate family member as long as the claimant tried to preserve the employment; or for marital or domestic responsibilities. Good cause was established if the individual left work to relocate with a spouse for an employer-initiated mandatory transfer, or to protect the claimant or the family from domestic violence.

With the passage of 6097, RCW 50.20.050 was amended to define ten specific reasons that constituted good cause (see *Figure 1*). The principal impact of the law change was that it narrowed the acceptable reasons for allowing individuals to voluntarily quit their jobs and be allowed UI benefits. In particular, claim adjudicators could no longer determine if other changes in work or working conditions constituted good cause.

¹ Title of 2ESB 6097: "An act related to revising the unemployment compensation system through creating 40 rate classes for determining employer contribution rates"

² Text of Veto Message: "I am not vetoing section 4, which establishes a list of personal and work-related reasons that an individual may quit for "good cause" and receive UI benefits while searching for other work. However, without the benefit of experience, I appreciate concerns expressed about the unforeseeable nature of some of the practical effects of these amendments. Accordingly, I hereby instruct the Commissioner of the Department of Employment Security to track all impacts associated with the amendments in section 4, and to report her findings to me by June 2005."

Figure 1

Specific reasons that establish good cause for voluntary quits (effective on or after 1-4-04)

| 10 Allowable Reasons in New Law | Change from previous law |
|--|---|
| Bona fide offer of work | None. |
| Illness/disability of claimant; illness, disability, or death of claimant’s immediate family. | Claimant must now terminate employment and is not entitled to reinstatement to same or comparable job. This requirement did not exist in old law. Therefore, leave of absences are treated differently in new law than old law. |
| Relocate due to spouse’s mandatory military transfer outside of labor market to a state that also allows benefits in this situation. | New law allows only if military employer; old law was for any employer-initiated mandatory transfer. New law allows only if the transfer is to a state that also allows benefits for this reason (currently, 17 states); old law did not include this restriction. |
| Domestic violence or stalking. | None. |
| Usual compensation reduced 25% or more. | New law specifies % of reduction; old law did not. |
| Usual hours reduced 25% or more. | Under old law, ESD had latitude to apply the criteria of “other work connected factors as the commissioner may deem pertinent”, “substantial involuntary deterioration of the work factor”, and “unreasonable hardship on the individual”. New law does not give ESD this option. |
| Increased distance or difficulty of travel and greater commute than customary in labor market due to worksite change. | New law applies only if the worksite location changed. Old law denied if distance was both: (a) known at time of hire and (b) ESD judged distance to be customary for job classification and labor market. Old law allowed if either (a) or (b) was not the case. Old law also gave ESD ability to apply “unreasonable hardship on the individual” criterion. |
| Work site safety deteriorated, was reported, but uncorrected. | Old law did not require safety deterioration or reporting of condition. ESD used the basis of “degree of risk involved to the individual’s health, safety...” |
| Illegal activities at the worksite, were reported, but uncorrected. | Old law did not specify illegality of activities, and did not require reporting of condition. ESD had latitude on the basis of “degree of risk involved to the individual’s health, safety, and morals...and such other work connected factors as the commissioner may deem pertinent”. New law does not give ESD this option. |
| Usual work changed and now violates religious convictions or sincere moral beliefs. | Under old law, ESD had latitude on the basis of “degree of risk involved to the individual’s health, safety, and morals” and on the basis of “unreasonable hardship on the individual” regardless of whether or not a change had occurred. New law does not give ESD this option. |

Sources: RCW 50.20.050 and Employment Security Department (ESD), UI Division Research and Analysis

Methodology and Scope of Analysis

The new law applies to UI claims effective on or after January 4, 2004.

A proposed study methodology was developed in collaboration with the Unemployment Insurance Advisory Committee with their approval in September 2003 (See Appendix B).

For comparison purposes, ESD tracked and studied the number of allowances and denials on voluntary quit decisions made on these claims in the last half of 2004 according to both the “new” law (post-6097) and what the outcome would have been under the “old” law (pre-6097). To ensure data validity, the sample was limited to decisions issued during the six-month period from July through December 2004, so adjudicators had six months to become proficient in applying the new law and tracking methods. Decisions made during 2004 on claims with effective dates prior to January 4, 2004 were not included because they were adjudicated under the old law.

Three validity tests were employed to verify that the methodology was sound. First, data on all quit decisions for 2002 were studied to see if there were any seasonal or workload fluctuations that might invalidate a population consisting of only six months of data. None were found. Second, the voluntary quit decisions from July through December 2004 were compared against decisions written for the same time period in 2003, to ensure that the distribution of the population was reasonable. Third, a quality control check was conducted on all decisions written in early 2004 to ensure that decisions were accurate and coding was correct.

The data analyzed in the study came from Employment Security’s Unemployment Insurance claimant records and UI non-monetary claim adjudicator files. The variables studied included gender, race, age, language preference, education, residence, union status, occupation, and industry of the job separation.

NOTE: There was a limited time period between the effective date of the voluntary quit provisions of 6097 and the date the report was due to the governor. Without the benefit of a longer study period, the number of decisions available for analysis was minimal, particularly in several subgroups.

The impact to the Unemployment Trust Fund cannot be estimated because many claimants in the study sample still have claims that will not expire until later in 2005, which they could draw upon if they requalify.

The data studied included the following:

- All July-December 2004 voluntary quit decisions adjudicated under the new law (post-6097), hereafter referred to in this document as New Law.
(16,825 decisions: 4,557 Allowances and 12,268 Denials)
NOTE: Only first-level decisions were included in the study. Insufficient time has passed since the study period to accurately determine the outcomes of the appeal processes. For example, to-date, of the 45 appeals filed, only one has been appealed to the courts.
- Same July-December 2004 voluntary quit decisions (as in previous paragraph) adjusted to represent the outcomes that would have occurred had the old law (pre-6097) still been in effect, hereafter referred to in this document as Old Law.
(16,825 decisions: 6,546 Allowances and 10,279 Denials)
- Voluntary quit decisions in July-December 2004 that had a different outcome under the new law than would have occurred under the old law, hereafter referred to in this document as Different Outcome.
NOTE: These decisions are all denial decisions that would have been allowed under the old law. There is no scenario where claimants would be allowed under the new law but would have been denied under the old law.
(1,989 denials, which are a subset of the 12,268 New Law denial decisions)
- Weekly benefit amounts, maximum benefits payable, and total benefits paid as of June 11, 2005 for individuals in the Different Outcome subset.

The analysis focused on three areas:

- Denial rates of New Law compared to Old Law (both overall and for each variable).
- Percentages of denials within each variable group, comparing the Different Outcome subset to the Old Law denials (denials under both new and old laws).
- The average weekly benefit amount and total maximum benefits payable for the Different Outcome subset and the average weekly benefit amount and total benefits paid as of June 11, 2005 for those in this subset who subsequently re-qualified for benefits.

The data were tested for significance:

The data were analyzed at the demographic subgroup level using a two-tailed student t-test (95% confidence interval), which revealed the following:

- For New Law denials compared to Old Law denials, the differences within subgroups could be explained as variations caused by chance.
- For New Law denials compared to the Different Outcome subset, the outcomes by gender, age, education, industry, and occupation could not necessarily be explained as variations caused by chance.

Decisions Under New Law Compared to Decisions Under Old Law

It is clear from looking at the data in *Figure 2* that denial rates (percentage of total decisions that were denied) rose under the new law (*Column 7*) compared to the outcomes under the old law (*Column 6*). The overall denial rate rose from 61.1% under the old law to 72.9% under the new law (an 11.8 percentage point difference), which was not unexpected given the tighter scope of allowable reasons constituting good cause.

Note: Data tables showing voluntary quit decisions by all variables are available in Appendix C.

The variables of the voluntary quit decisions were analyzed to look for anomalies compared to the average increase in denial rates. In applying a t-test to the demographic variables for all denials under the new law compared to what they would have been under the old law, the differences within each subgroup could be explained as variations caused by chance.

However, the gender variable did appear to have an anomaly. The difference in percentage point increases in the denial rate between the old law and the new law was 13.6 percentage points for women compared to 9.7 percentage points for men (*Column 8*). A difference also shows up with respect to the percentage of all voluntary quit denial decisions that were issued to women versus denials issued to men under the new law (*Column 10*) compared to the outcome that would have occurred under the old law (*Column 9*). Under the new law, 1.5 percentage points more of the denial decisions were issued to women than would have been under the old law, with a corresponding 1.5 fewer percentage points for men (*Column 11*).

Figure 2

Decisions Under New Law Compared to Decisions Under Old Law (Total and by Gender)

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|---------------|---|---------------------|--|----------------------|--|---------------------------|---------------------------|-------------------------|-------------------------------------|-------------------------------------|-------------------------|
| | New Law | | Different Outcome | Old Law | | Old Law | New Law | Prctng Point Difference | Old Law | New Law | Prctng Point Difference |
| | # Allow <i>(same outcome both laws)</i> (4) - (3) | # Deny (3) + (5) | # Deny <i>(deny new law / allow old law)</i> (2) - (5) | # Allow (1) + (3) | # Deny <i>(same outcome both laws)</i> (2) - (3) | % Deny (5) ÷ [(4)+(5)] | % Deny (2) ÷ [(1)+(2)] | | % of Total Denials* (5) ÷ (5)All | % of Total Denials* (2) ÷ (2)All | |
| ALL | 4,557 | 12,268 | 1,989 | 6,546 | 10,279 | 61.1% | 72.9% | 11.8 | 100.0% | 100.0% | N/A |
| GENDER | | | | | | | | | | | |
| Women | 2,386 | 6,565 | 1,222 | 3,608 | 5,343 | 59.7% | 73.3% | 13.6 | 52.0% | 53.5% | 1.5 |
| Men | 2,171 | 5,703 | 767 | 2,938 | 4,936 | 62.7% | 72.4% | 9.7 | 48.0% | 46.5% | -1.5 |

* Percentages may not total 100% due to rounding.

Source: Employment Security Department, UI Division GUIDE System

Different Outcome Decisions Compared to Old Law Denials

Of the 16,825 total voluntary quit decisions, 14,836 had the same outcome under both the new law and the old law – 4,557 allowances and 10,279 denials (referred to herein as *Old Law Denials*). The other 1,989 decisions denied UI benefits to individuals for reasons that would have been allowed under the old law (the *Different Outcome* subset). (There is no scenario where claimants would be allowed under the new law but would have been denied under the old law.) Because these 1,989 are the only decisions with different outcomes using the new law versus the old law, they best represent the impact of the new law.

The voluntary quit data were analyzed by variable for the *Different Outcome* decisions and compared to the data for the *Old Law Denials*. In applying a t-test to the demographic variables for denials under the new law that would have been allowed under the old law, it was determined that the outcomes by gender, age, education, occupation, and industry could not necessarily be explained away as variations caused by chance.

As revealed in *Figure 3*, of the 1,989 *Different Outcome* decisions (*Column 2*), 61.4% were issued to women; the remaining 38.6% to men (*Column 4*). This is in contrast to 52% to women and 48% to men of all Old Law denials (*Column 3*). This represents a 9.4 percentage point increase (*Column 5*) in the proportion of denials issued to women under the new law. Professional/technical/management workers had 6.0 percentage point increase (*Column 5*) in the proportion of denials issued to them; offsetting decreases were revealed in numerous other occupations. Smaller proportional differences were noted in certain age groups (ages 21-24 and 35-44), education levels (high school diploma and some college/vocational), another occupation (clerical/sales), and one industry (service).

Note: Data tables showing voluntary quit decisions by all variables are available in Appendix C.

Figure 3
Different Outcome Decisions Compared to Old Law Denials (By Gender)

| | (1) | (2) | (3) | (4) | (5) |
|-----------------------|---|---|--|--------------------------------------|-----------------------------|
| | <i>Old Law Denials</i> | <i>Different Outcome</i> | <i>Old Law Denials</i> | <i>Different Outcome</i> | Percentage Point Difference |
| | # Deny <i>(same outcome under both laws)</i> | # Deny <i>(deny new law / allow old law)</i> | % of Total Denials <i>(1) ÷ (1) All</i> | % of Denials <i>(2) ÷ (2) All</i> | <i>(4) – (3)</i> |
| ALL | 10,279 | 1,989 | 100.0% | 100.0% | N/A |
| GENDER | | | | | |
| Women | 5,343 | 1,222 | 52% | 61.4% | 9.4 |
| Men | 4,936 | 767 | 48% | 38.6% | -9.4 |
| OCCUPATION | | | | | |
| Profsnl/ Techncl/Mgmt | 2,711 | 644 | 26.4% | 32.4% | 6.0 |

* Percentages may not total 100% due to rounding.

Source: Employment Security Department, UI Division GUIDE System

Reasons for Voluntary Quits Resulting in Different Outcomes Under New Law

The clearest assessment of impacts at the individual claimant level can be made by reviewing the *Different Outcome* denials (would have resulted in allowance of benefits before implementation of 6097). These individuals would have received unemployment compensation benefits had it not been for changes in the law directly attributable to 6097. There were 1,989 such denial decisions issued to a total of 1,617 individuals (some claimants quit more than one job and therefore had multiple quit decisions).

Different Outcome denials fell into three general categories (see *Figure 4 – Column 2*):

- Work-related factors (40.9%)
- Domestic or marital responsibilities (33.4%),
- Illness/disability of claimant or illness/disability/death of immediate family member (25.7%).

NOTE: For a detailed count with more specific quit reasons, see Appendix D.

Figure 4

Types of Reasons for Voluntary Quits Resulting in Different Outcomes Under New Law

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|---|------------------------------------|--|-----------------|---------------|---|---|--|
| | <i>Different Outcome Decisions</i> | | | | | | |
| | Total # Deny | Reason % of Total Denials (1) ÷ (1) All | Women # Deny | Men # Deny | Women % of Total Denials (3) ÷ (1) | Men % of Total Denials (4) ÷ (1) | Percentage Point Difference (5) – (6) |
| All | 1,989 | 100% | 1,222 | 767 | N/A | N/A | N/A |
| Work-Related Factors | 813 | 40.9% | 430 | 383 | 52.9% | 47.1% | 5.8 |
| Domestic or Marital Responsibilities | 664 | 33.4% | 490 | 174 | 73.8% | 26.2% | 47.6 |
| Illness/disability of claimant or immediate family member | 512 | 25.7% | 302 | 210 | 59% | 41% | 18.0 |

Source: Employment Security Department, UI Division Research & Analysis

Due to the number of specific quit reasons tracked by the study (see Appendix D), analyzing the data for the subgroups in most variables would have yielded insufficient numbers from which to draw valid conclusions. Only the gender variable, which has only two subgroups, was analyzed.

The data reveals that voluntarily quitting because of work-related factors or the illness, disability or death of an immediate family member did not fall along gender lines. However, domestic and marital responsibilities or a personal illness or disability reasons did fall along gender lines. Domestic and marital responsibilities predominantly fall to women in a household. When these responsibilities do not constitute “good cause” under voluntary quit laws, women stand to be denied at a greater rate than men (73.8% vs. 26.2% - *Columns 5 through 7*).

Because the three types of quit reasons are so broad, ESD’s Unemployment Insurance claim adjudicators were asked to provide examples of common situations that resulted in denials under 6097 that would have had different outcomes under the old law.

Work-related factors:

Just over 40% of the *Different Outcome* denials were for *work-related factors*. According to ESD adjudicators, the primary reasons for these voluntary quits were wages or hours that were reduced less than 25%, abusive working conditions, and hardships posed by commuting.

More detailed examples of these types of situations that are denied under new law, but were allowed under old law are:

- A claimant's wages or hours were reduced less than 25%; however, the reduction did "amount to a substantial involuntary deterioration of the work factor" and created an "unreasonable hardship on the individual"
- Working conditions deteriorated into abusive situations (e.g., poor behavior, profane language, bullying in the workplace) that violated workplace standards or worker rights, but did not rise to the level of illegal activity or unsafe work conditions
- Accepting work outside the usual labor market area (including taking a job in another state on a trial basis) and then quitting because the commute or time away from home became an "unreasonable hardship" (no change in worksite location)
- Working both a full-time and a part-time job in another labor market and then being laid off from the full-time job and subsequently quitting the part-time job because it was unreasonable to continue the commute for only part-time wages
- Changing the hiring agreement where claimant was initially provided a company vehicle, driving 150 miles a day, but company decided it's too much wear and tear on the vehicle and told the employee to drive his own pickup and use a company credit account, later closed for non-payment. The employer then had the employee supply gas, to be reimbursed every two weeks, and no compensation for wear and tear on his vehicle
- Accepting a job 150 miles from home because they really need to work, but after several months quitting because it's hard to come home only on weekends and living expenses away from home are costly
- Quitting because of a 12% reduction in wages in conjunction with new job duties and that the claimant was no longer eligible for on-call work - considered good cause under the old law by the State Supreme Court Anderson v ESD, 39 Wn. (1951).

Domestic or Marital Responsibilities:

According to ESD adjudicators, the main reasons for voluntary quits due to domestic or marital responsibilities were losing child care or relocating because of a spouse's job transfer to a different labor market. More detailed examples of these types of situations that are denied under new law, but were allowed under old law are:

- Quitting to relocate because of a spouse's employer-initiated, mandatory transfer; when the employer was not the military
- Quitting to relocate because a spouse's mandatory, military transfer is to a state that denies benefits in that circumstance
- Quitting to care for minor children for reasons other than illness or disability (e.g., losing child care or needing time off to help a child in legal trouble or facing school expulsion)
- Quitting to marry and relocate to new spouse's locale outside the current labor market, a denial that could have been lifted without subsequent employment under the old law by a ten-week denial once the marriage and move were completed
- A minor quitting employment at direction of his/her parents.

Note: Some domestic responsibility quits were denied under the old law for 10 weeks with the requirement to report in-person to a local office in each of those 10 weeks, but under the new law, such denials are for at least seven weeks and until the person returns to work and has earnings equal to seven times the weekly benefit amount, and subsequently is separated through no fault of their own.

Illness/disability of Claimant or Illness/disability/death of immediate family member

According to ESD adjudicators, virtually all denials in this area were related to leave of absence. Often the claimants took a medical leave of absence due to not being able to perform regular job duties. Under the old law, they would have been allowed if they were able to perform another type of work. Examples of this include:

- Flight attendants placed on leave from their jobs because bargaining agreement provisions prevent them from being assigned by their employer to other job duties they're able to perform
- Pregnant health care professionals who cannot be exposed to x-ray, but were able to perform other work.

Potential Impact on UI Benefit Payments

- The precise effect of the new law on the UI Trust Fund cannot be calculated at this time. The maximum benefits payable to the 1,617 individuals who accounted for the 1,989 denials that would have been allowed under the old law was \$10.8 million. Of these 1,617 individuals, 308 (about 19%) subsequently requalified for benefits, with an average weekly benefit amount of \$261 and total benefits of \$1.02 million paid out as of June 11, 2005. Others may eventually requalify and receive payments before the expiration date of their claims later in 2005. Thus, it is too soon to estimate the net impact to the Trust Fund.

Appendix A

RCW 50.20.050

Disqualification for leaving work voluntarily without good cause.

(1) With respect to claims that have an effective date before January 4, 2004:

(a) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily without good cause and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:

(i) The duration of the work;
(ii) The extent of direction and control by the employer over the work; and
(iii) The level of skill required for the work in light of the individual's training and experience.

(b) An individual shall not be considered to have left work voluntarily without good cause when:

(i) He or she has left work to accept a bona fide offer of bona fide work as described in (a) of this subsection;

(ii) The separation was because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family if the claimant took all reasonable precautions, in accordance with any regulations that the commissioner may prescribe, to protect his or her employment status by having promptly notified the employer of the reason for the absence and by having promptly requested reemployment when again able to assume employment: PROVIDED, That these precautions need not have been taken when they would have been a futile act, including those instances when the futility of the act was a result of a recognized labor/management dispatch system;

(iii) He or she has left work to relocate for the spouse's employment that is due to an employer-initiated mandatory transfer that is outside the existing labor market area if the claimant remained employed as long as was reasonable prior to the move; or

(iv) The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, as defined in RCW 26.50.010, or stalking, as defined in RCW 9A.46.110.

(c) In determining under this subsection whether an individual has left work voluntarily without good cause, the commissioner shall only consider work-connected factors such as the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness for the work, the individual's ability to perform the work, and such other work connected factors as the commissioner may deem pertinent, including state and national emergencies. Good cause shall not be established for voluntarily leaving work because of its distance from an individual's residence where the distance was known to the individual at the time he or she accepted the employment and where, in the judgment of the department, the distance is customarily traveled by workers in the individual's job classification and labor market, nor because of any other significant work factor which was generally known and present at the time he or she accepted employment, unless the related circumstances have so changed as to amount to a substantial involuntary deterioration of the work factor or unless the commissioner determines that other related circumstances would work an unreasonable hardship on the individual were he or she required to continue in the employment.

(d) Subsection (1)(a) and (c) of this section shall not apply to an individual whose marital status or domestic responsibilities cause him or her to leave employment. Such an individual shall not be eligible for unemployment insurance benefits beginning with the first day of the calendar week in which he or she left work and thereafter for seven calendar weeks and until he or she has requalified, either by obtaining bona fide work in employment covered by this title and earning wages in that employment equal to seven times his or her weekly benefit amount or by reporting in person to the department during ten different calendar weeks and certifying on each occasion that he or she is ready, able, and willing to immediately accept any suitable work which may be offered, is actively seeking work pursuant to customary trade practices, and is utilizing such employment counseling and placement services as are available through the department. This subsection does not apply to individuals covered by (b)(ii) or (iii) of this subsection.

(2) With respect to claims that have an effective date on or after January 4, 2004:

(a) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily without good cause and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:

- (i) The duration of the work;
- (ii) The extent of direction and control by the employer over the work; and
- (iii) The level of skill required for the work in light of the individual's training and experience.

(b) An individual is not disqualified from benefits under (a) of this subsection when:

- (i) He or she has left work to accept a bona fide offer of bona fide work as described in (a) of this subsection;

- (ii) The separation was necessary because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family if:

- (A) The claimant pursued all reasonable alternatives to preserve his or her employment status by requesting a leave of absence, by having promptly notified the employer of the reason for the absence, and by having promptly requested reemployment when again able to assume employment. These alternatives need not be pursued, however, when they would have been a futile act, including those instances when the futility of the act was a result of a recognized labor/management dispatch system; and

- (B) The claimant terminated his or her employment status, and is not entitled to be reinstated to the same position or a comparable or similar position;

(iii) He or she: (A) Left work to relocate for the spouse's employment that, due to a mandatory military transfer: (I) Is outside the existing labor market area; and (II) is in Washington or another state that, pursuant to statute, does not consider such an individual to have left work voluntarily without good cause; and (B) remained employed as long as was reasonable prior to the move;

(iv) The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, as defined in RCW 26.50.010, or stalking, as defined in RCW 9A.46.110;

(v) The individual's usual compensation was reduced by twenty-five percent or more;

(vi) The individual's usual hours were reduced by twenty-five percent or more;

(vii) The individual's worksite changed, such change caused a material increase in distance or difficulty of travel, and, after the change, the commute was greater than is customary for workers in the individual's job classification and labor market;

(viii) The individual's worksite safety deteriorated, the individual reported such safety deterioration to the employer, and the employer failed to correct the hazards within a reasonable period of time;

(ix) The individual left work because of illegal activities in the individual's worksite, the individual reported such activities to the employer, and the employer failed to end such activities within a reasonable period of time; or

(x) The individual's usual work was changed to work that violates the individual's religious convictions or sincere moral beliefs.

[2003 2nd sp.s. c 4 § 4; 2002 c 8 § 1; 2000 c 2 § 12; 1993 c 483 § 8; 1982 1st ex.s. c 18 § 6; 1981 c 35 § 4; 1980 c 74 § 5; 1977 ex.s. c 33 § 4; 1970 ex.s. c 2 § 21; 1953 ex.s. c 8 § 8; 1951 c 215 § 12; 1949 c 214 § 12; 1947 c 215 § 15; 1945 c 35 § 73; Rem. Supp. 1949 § 9998-211. Prior: 1943 c 127 § 3; 1941 c 253 § 3; 1939 c 214 § 3; 1937 c 162 § 5.]

Appendix B

Text of Study Proposal developed in collaboration with Unemployment Insurance Advisory Committee with their approval in September 2003

Employment Security Department
Unemployment Insurance Program

Sept 8, 2003

Study Proposal: Impacts from Changes to Voluntary Quit Provisions

Background

Governor Locke has instructed the Employment Security Commissioner to track all impacts associated with the amendments to RCW 50.20.050, which provide disqualifications for leaving work voluntarily without good cause. The Commissioner must report findings to the Governor by June 2005.

Purpose of Study

To identify the impacts of the new standards on good cause for voluntarily leaving work and what these different outcomes mean to claimants, employers, the department and society.

Proposed Methodology

A comparison study will be conducted using a baseline of all decisions on job separations involving voluntary quit under the current law, comparing the impacts to all voluntary quit decisions issued during a similar period of time shortly but not directly after the new law is implemented.

Sample Size and Length of Study

The study will look at 100% of all voluntary quit decisions made between July-December 2004, compared to all quit decisions made between July-December 2003 (as the baseline). All programs and all entitlements will be in the study, including voluntary quit decisions on Regular, Training Benefits, Extended Benefits and Temporary Extended Unemployment Compensation (TEUC) recipients, and for claims based on private, public, military and federal employment.

Since some claimants may have more than one voluntary quit to adjudicate, the study will look at all first-level, final decisions rather than at all claimants. "Cleared" decisions will not be studied as they should never have been recorded as a voluntary quit in the first place. "Purged" quits will not be reviewed because there was no factfinding done.

Rationale for using a July-December time period:

- ◆ December, 2003 is the last month where all decisions are governed by current law.
- ◆ Comparing two like times of year reduces the possibility of seasonal bias.
- ◆ No statistically significant differences were found in any quarter for any demographic variable in a review of all 2002 voluntary quit decisions. (See Appendices A and B)
- ◆ Starting the second sampling for the study in July, 2004 gives staff six months to adjudicate claims using the new law and sufficient time to learn new study data, ensuring more consistency in outcomes.

Study Design Recommendations

The analysis will study the following impacts and characteristics of quit decisions:

- ◆ Rates of allowance and denial, by reason for quit
- ◆ Denial rates compared to the outcome that would have occurred under prior law
- ◆ Timing of the job separation (at initial claim or during the claim)
- ◆ Separating employer (size, industry)
- ◆ Demographics (age, gender, ethnicity, education, union status, citizenship, language preference, residence and occupation-during the base year and for the separating employer).
- ◆ Claim information (weekly benefit amount, wages, base year type, claim type).
- ◆ To the extent possible, the study will follow the rate of requalification.

Data Details

Decisions from the two time periods will be extracted into a stand-alone database for the analysis. The 2004 decisions will have specific new data in the “characteristics” field of the automated GUIDE system: codes that describe what would have happened on this quit under the old law. This will identify individuals denied under the new law who would have had a different outcome under current law. (There is no case where the claimant will be allowed under the new law but would have been denied under the previous law.)

Implementation Strategy

Validate that the proposed sample period is sufficient to be statistically significant, and that there is no seasonal bias (August, 2003).

Present proposed methodology to the Unemployment Insurance Advisory Committee for their approval (September, 2003).

Define the new codes required for the 2004 study (before December 31, 2003).

Gather and monitor baseline data for all voluntary quit decisions from July 1, 2003 through December 31, 2003 (before January 31, 2004).

Train staff on the new law (before December 31, 2003). Do not include the 2004 study requirements at this time.

Program the new codes into GUIDE (ready by June, 2004). Entering these codes will be mandatory to improve the integrity of the data.

Develop and deliver training on the 2004 study requirements to staff (by July 1, 2004).

Gather and monitor second sample data (July-December, 2004).

Conduct analysis of voluntary quit decisions pre- and post-2003 (January-May, 2005).

Present findings to the UI Advisory Committee in draft at spring meeting in 2005.

Finalize study and submit report to the Governor (by May 31, 2005).

Study Proposal – 9/8/03
Appendix A

VALIDATION OF THE PROPOSED SAMPLE PERIOD

The department extracted counts of all voluntary quit decisions issued during calendar year 2002. The decisions were reviewed in terms of the number of decisions issued each quarter during the year, detailed by the following claimant characteristics:

Gender
Ethnicity
Industry of major base year employer
Education level
Age distribution
Occupation.

Upon examination of each of the characteristics in each calendar quarter, there is a clearly equal distribution of decisions in each quarter of 2002 for all of the claimant characteristics reviewed. Therefore, we can be quite certain that there are no workload swings, claimant profile anomalies or seasonal biases from one quarter to another.

Conclusion: No significant differences were found in any quarter for any demographic variable in a review of all 2002 voluntary quit decisions. A study of voluntary quits that captures 100 percent of final first-level decisions does not need to span an entire year of decisions in order to be representative and statistically significant.

A spreadsheet with the details of this extract will be distributed at the Unemployment Insurance Advisory Committee meeting on September 12, 2003.

Study Proposal – 9/8/03

Appendix B

Codes to be used to describe quit situations:

G1 Quit due to illness - RCW 50.20.050(2)(b) (*allow only*) (Valid on separations after 2/13/00)

G2 Quit to follow spouse - RCW 50.20.050(2)(c) (*allow only*) (Valid on separations after 2/13/00)

G3 Quit due to domestic violence or stalking - RCW 50.20.050(2)(d) (*allow only*) (Valid on separations after 6/13/02)

G4 Medical Leave of Absence (for Disability/Pregnancy reasons) (*allow only*)

V1* Voluntary quit under RCW 50.20.050(1) or separation reason is recorded as "other"

V4 Quit for domestic responsibility reason - RCW 50.20.050(4) (*in-person reporting can grant requalification*)

V5 Quit for domestic responsibility reason but individual lives in *remote area and therefore not required to report in-person*

V6 Interim quit - RCW 50.20.050(1)

V7 Quit to marry & moved outside normal commute distance RCW 50.20.050(4) - Yamauchi decision

V8 Quit for good cause working conditions - RCW 50.20.050(3) (*Allow only*)

V9 Quit for good cause bona fide offer of work - RCW 50.20.050(2)(a) (*allow only*) (Only valid on separations after 2/13/00)

NOTE: V2 and V3 will not be studied as they are only used when reporting requirements haven't been met for individuals who have provided incomplete information while in continuing claim status. Therefore, they are not authentic quit codes. The reason a V2 or V3 would be used is if earnings were expected but not reported, or when separation information is incomplete. If a job separation did in fact occur when a V2 or V3 is set, the code is changed to reflect the true nature of the job separation.

New codes for separations on claims effective on/after January 4, 2004:

Eleven new characteristic codes to describe voluntary quit decisions - to be developed

Study Proposal – 9/8/03

Appendix C

Variables to be extracted:

Separating employer industry classification number (SIC or NAICS)

Separating employer (WA only): large vs. small

Ethnicity

Gender

Education

Citizen

Occupation

Age

Disability status

Veteran's status

Referral union member status

Address/zip code/county or other location code

Language Preference

Weekly Benefit Amount (WBA)

Average annual wage

Issue discovery date

Separation issue and resolution codes

Separation characteristics codes

Appeal status/level

Program (claim is based on regular, military or federal wages - UC, UCFE, UCX)

Entitlement (type of benefits - regular, extended, training, federal TEUC)

Alternative Base Year (ABY)

Appendix C

Table 1: New Law Compared to Old Law – Data by Variable

| Voluntary Quit Decisions July-December, 2004 TOTAL: 16,825 | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|--|---|---------------------|--|----------------------|--|-----------------------------|-----------------------------|--------------------------------------|--|--|---------------------------------------|
| | NEW LAW | | DIFFERENT OUTCOME | OLD LAW | | OLD LAW | NEW LAW | Prcntg Point Difference (7) - (6) | OLD LAW | NEW LAW | Prcntg Point Difference (10) - (9) |
| | # Allow <i>(same outcome both laws)</i> (4) - (3) | # Deny (3) + (5) | # Deny <i>(deny new law / allow old law)</i> (2) - (5) | # Allow (1) + (3) | # Deny <i>(same outcome both laws)</i> (2) - (3) | % Deny (5)÷ [(4)+(5)] | % Deny (2)÷ [(1)+(2)] | | % of Total Denials* (5) + (5)ALL | % of Total Denials* (2) + (2)ALL | |
| ALL | 4,557 | 12,268 | 1,989 | 6,546 | 10,279 | 61.1% | 72.9% | 11.8 | 100.0% | 100.0% | N/A |
| GENDER | | | | | | | | | | | |
| Women | 2,386 | 6,565 | 1,222 | 3,608 | 5,343 | 59.7% | 73.3% | 13.6 | 52.0% | 53.5% | 1.5 |
| Men | 2,171 | 5,703 | 767 | 2,938 | 4,936 | 62.7% | 72.4% | 9.7 | 48.0% | 46.5% | -1.5 |
| RACE | | | | | | | | | | | |
| White | 3,375 | 8,854 | 1,442 | 4,817 | 7,412 | 60.6% | 72.4% | 11.8 | 72.1% | 72.2% | 0.1 |
| Black | 247 | 743 | 134 | 381 | 609 | 61.5% | 75.1% | 13.6 | 5.9% | 6.1% | 0.2 |
| Hispanic | 434 | 1,163 | 149 | 583 | 1,014 | 63.5% | 72.8% | 9.3 | 9.9% | 9.5% | -0.4 |
| Amrcn Indn / Alskn Ntv | 95 | 377 | 61 | 156 | 316 | 66.9% | 79.9% | 13.0 | 3.1% | 3.1% | 0.0 |
| Asian / Pacific Islander | 228 | 709 | 120 | 348 | 589 | 62.9% | 75.7% | 12.8 | 5.7% | 5.8% | 0.1 |
| Unidentified | 178 | 422 | 83 | 261 | 339 | 56.5% | 70.3% | 13.8 | 3.3% | 3.4% | 0.1 |
| LANGUAGE | | | | | | | | | | | |
| English | 4,321 | 11,844 | 1,949 | 6,270 | 9,895 | 61.2% | 73.3% | 12.1 | 96.3% | 96.5% | 0.2 |
| Spanish | 168 | 302 | 19 | 187 | 283 | 60.2% | 64.3% | 4.1 | 2.8% | 2.5% | -0.3 |
| Chinese | 0 | 8 | 2 | 2 | 6 | 75.0% | 100.0% | 25.0 | 0.1% | 0.1% | 0.0 |
| Vietnamese | 17 | 35 | 8 | 25 | 27 | 51.9% | 67.3% | 15.4 | 0.3% | 0.3% | 0.0 |
| Laotian | 0 | 2 | 0 | 0 | 2 | 100.0% | 100.0% | 0.0 | 0.0% | 0.0% | 0.0 |
| Russian | 21 | 26 | 2 | 23 | 24 | 51.1% | 55.3% | 4.2 | 0.2% | 0.2% | 0.0 |
| Polish | 0 | 1 | 0 | 0 | 1 | 100.0% | 100.0% | 0.0 | 0.0% | 0.0% | 0.0 |
| Korean | 6 | 21 | 4 | 10 | 17 | 63.0% | 77.8% | 14.8 | 0.2% | 0.2% | 0.0 |
| Other | 24 | 29 | 5 | 29 | 24 | 45.3% | 54.7% | 9.4 | 0.2% | 0.2% | 0.0 |
| AGE GROUP | | | | | | | | | | | |
| Under 18 | 0 | 2 | 2 | 2 | 0 | 0.0% | 100.0% | 100.0 | 0.0% | 0.0% | 0.0 |
| 18-20 | 91 | 398 | 42 | 133 | 356 | 72.8% | 81.4% | 8.6 | 3.5% | 3.2% | -0.3 |
| 21-24 | 300 | 1,349 | 157 | 457 | 1,192 | 72.3% | 81.8% | 9.5 | 11.6% | 11.0% | -0.6 |
| 25-34 | 1,003 | 3,520 | 581 | 1,584 | 2,939 | 65.0% | 77.8% | 12.8 | 28.6% | 28.7% | 0.1 |
| 35-44 | 1,209 | 2,726 | 494 | 1,703 | 2,232 | 56.7% | 69.3% | 12.6 | 21.7% | 22.2% | 0.5 |
| 45-54 | 1,006 | 1,795 | 328 | 1,334 | 1,467 | 52.4% | 64.1% | 11.7 | 14.3% | 14.6% | 0.3 |
| 55-59 | 224 | 457 | 77 | 301 | 380 | 55.8% | 67.1% | 11.3 | 3.7% | 3.7% | 0.0 |
| 60 & Up | 153 | 329 | 69 | 222 | 260 | 53.9% | 68.3% | 14.4 | 2.5% | 2.7% | 0.2 |
| Unknown | 571 | 1,692 | 239 | 810 | 1,453 | 64.2% | 74.8% | 10.6 | 14.1% | 13.8% | -0.3 |
| EDUCATION LEVEL | | | | | | | | | | | |
| None | 7 | 34 | 3 | 10 | 31 | 75.6% | 82.9% | 7.3 | 0.3% | 0.3% | 0.0 |
| 1-7 yrs | 134 | 232 | 23 | 157 | 209 | 57.1% | 63.4% | 6.3 | 2.0% | 1.9% | -0.1 |
| 8 yrs | 42 | 104 | 24 | 66 | 80 | 54.8% | 71.2% | 16.4 | 0.8% | 0.8% | 0.0 |
| 9-11 yrs | 321 | 1,316 | 176 | 497 | 1,140 | 69.6% | 80.4% | 10.8 | 11.1% | 10.7% | -0.4 |
| High School Diploma | 1,559 | 4,312 | 632 | 2,191 | 3,680 | 62.7% | 73.4% | 10.7 | 35.8% | 35.1% | -0.7 |
| GED | 277 | 1,038 | 179 | 456 | 859 | 65.3% | 78.9% | 13.6 | 8.4% | 8.5% | 0.1 |
| Some College/Vocntl | 1379 | 3269 | 587 | 1966 | 2682 | 57.7% | 70.3% | 12.6 | 26.1% | 26.6% | 0.5 |
| Associate Degree / Vocational Certificate | 321 | 743 | 123 | 444 | 620 | 58.3% | 69.8% | 11.5 | 6.0% | 6.1% | 0.1 |
| Bachelors Degree | 422 | 1,005 | 193 | 615 | 812 | 56.9% | 70.4% | 13.5 | 7.9% | 8.2% | 0.3 |
| Masters Degree | 88 | 185 | 43 | 131 | 142 | 52.0% | 67.8% | 15.8 | 1.4% | 1.5% | 0.1 |
| PHD Degree | 7 | 30 | 6 | 13 | 24 | 64.9% | 81.1% | 16.2 | 0.2% | 0.2% | 0.0 |
| RESIDENCE | | | | | | | | | | | |
| Rural | 1,021 | 2,969 | 392 | 1,413 | 2,577 | 64.6% | 74.4% | 9.8 | 25.1% | 24.2% | -0.9 |
| Urban | 3,065 | 7,531 | 1,258 | 4,323 | 6,273 | 59.2% | 71.1% | 11.9 | 61.0% | 61.4% | 0.4 |
| Out-of-State | 471 | 1,768 | 339 | 810 | 1,429 | 63.8% | 79.0% | 15.2 | 13.9% | 14.4% | 0.5 |
| UNION STATUS | | | | | | | | | | | |
| Full Referral | 263 | 282 | 39 | 302 | 243 | 44.6% | 51.7% | 7.1 | 2.4% | 2.3% | -0.1 |
| Qualified Referral | 18 | 17 | 2 | 20 | 15 | 42.9% | 48.6% | 5.7 | 0.1% | 0.1% | 0.0 |
| Non-Union | 4,276 | 11,969 | 1948 | 6224 | 10021 | 61.7% | 73.7% | 12.0 | 97.5% | 97.6% | 0.1 |

* Percentages may not total 100% due to rounding.

Table continued on next page

Table 1: New Law Compared to Old Law – Data by Variable (continued)

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|-----------------------------------|--|---------------|--|--------------|--|-----------------|-----------------|--------------------------------------|---------------------|---------------------|---------------------------------------|
| Voluntary Quit Decisions | NEW LAW | | DIFFERENT OUTCOME | OLD LAW | | OLD LAW | NEW LAW | Prcntg Point Difference (7) - (6) | OLD LAW | NEW LAW | Prcntg Point Difference (10) - (9) |
| | # Allow | # Deny | # Deny | # Allow | # Deny | % Deny | % Deny | | % of Total Denials* | % of Total Denials* | |
| | <i>(same outcome both laws)</i> (4) - (3) | (3) + (5) | <i>(deny new law / allow old law)</i> (2) - (5) | (1) + (3) | <i>(same outcome both laws)</i> (2) - (3) | (5) ÷ [(4)+(5)] | (2) ÷ [(1)+(2)] | | (5) ÷ (5) ALL | (2) ÷ (2) ALL | |
| July-December, 2004 | | | | | | | | | | | |
| TOTAL: 16,825 | | | | | | | | | | | |
| ALL | 4,557 | 12,268 | 1,989 | 6,546 | 10,279 | 61.1% | 72.9% | 11.8 | 100.0% | 100.0% | N/A |
| OCCUPATION | | | | | | | | | | | |
| Profsnl/Techncl/Mgmt | 1,291 | 3,355 | 644 | 1,935 | 2,711 | 58.4% | 72.2% | 13.8 | 26.4% | 27.3% | 0.9 |
| Clerical/Sales | 1,093 | 3,211 | 570 | 1,663 | 2,641 | 61.4% | 74.6% | 13.2 | 25.7% | 26.2% | 0.5 |
| Service | 675 | 2,347 | 345 | 1,020 | 2,002 | 66.2% | 77.7% | 11.5 | 19.5% | 19.1% | -0.4 |
| Agric/Forest/Fish | 134 | 357 | 37 | 171 | 320 | 65.2% | 72.7% | 7.5 | 3.1% | 2.9% | -0.2 |
| Processing | 163 | 343 | 46 | 209 | 297 | 58.7% | 67.8% | 9.1 | 2.9% | 2.8% | -0.1 |
| Machine Trades | 195 | 485 | 57 | 252 | 428 | 62.9% | 71.3% | 8.4 | 4.2% | 4.0% | -0.2 |
| Benchwork | 93 | 205 | 33 | 126 | 172 | 57.7% | 68.8% | 11.1 | 1.7% | 1.7% | 0.0 |
| Structural | 510 | 1,041 | 139 | 649 | 902 | 58.2% | 67.1% | 8.9 | 8.8% | 8.5% | -0.3 |
| Miscellaneous | 403 | 924 | 118 | 521 | 806 | 60.7% | 69.6% | 8.9 | 7.8% | 7.5% | -0.3 |
| INDUSTRY | | | | | | | | | | | |
| Agric / Forest / Fish | 181 | 456 | 52 | 233 | 404 | 63.4% | 71.6% | 8.2 | 3.9% | 3.7% | -0.2 |
| Mining | 11 | 11 | 1 | 12 | 10 | 45.5% | 50.0% | 4.5 | 0.1% | 0.1% | 0.0 |
| Construction | 398 | 775 | 133 | 531 | 642 | 54.7% | 66.1% | 11.4 | 6.2% | 6.3% | 0.1 |
| Manufacturing | 417 | 1,004 | 132 | 549 | 872 | 61.4% | 70.7% | 9.3 | 8.5% | 8.2% | -0.3 |
| Trnsprt / Cmmnctn / Utilities | 230 | 534 | 83 | 313 | 451 | 59.0% | 69.9% | 10.9 | 4.4% | 4.4% | 0.0 |
| Wholesale | 199 | 501 | 74 | 273 | 427 | 61.0% | 71.6% | 10.6 | 4.2% | 4.1% | -0.1 |
| Retail | 833 | 2,792 | 460 | 1,293 | 2,332 | 64.3% | 77.0% | 12.7 | 22.7% | 22.8% | 0.1 |
| Finance / Insurance / Real Estate | 234 | 572 | 115 | 349 | 457 | 56.7% | 71.0% | 14.3 | 4.4% | 4.7% | 0.3 |
| Service | 1,534 | 4,190 | 733 | 2,267 | 3,457 | 60.4% | 73.2% | 12.8 | 33.6% | 34.2% | 0.6 |
| Public Administration | 144 | 352 | 63 | 207 | 289 | 58.3% | 71.0% | 12.7 | 2.8% | 2.9% | 0.1 |
| Not Classified | 376 | 1,081 | 143 | 519 | 938 | 64.4% | 74.2% | 9.8 | 9.1% | 8.8% | -0.3 |

* Percentages may not total 100% due to rounding.

Appendix C

Table 2: Different Outcome Decisions Compared to Old Law Denials – Data by Variable

| Voluntary Quit Decisions July-December, 2004 TOTAL: 16,825 | (1) | (2) | (3) | (4) | (5) |
|--|---|---|--|---------------------------------------|--|
| | OLD LAW | DIFFERENT OUTCOME | OLD LAW | DIFFERENT OUTCOME | Percentage Point Difference (4) – (3) |
| | # Deny <i>(same outcome both laws)</i> | # Deny <i>(deny new law / allow old law)</i> | % of Total Denials* (1) + (1) ALL | % of Denials* (2) + (2) ALL | |
| ALL | 10,279 | 1,989 | 100.0% | 100.0% | N/A |
| GENDER | | | | | |
| Women | 5,343 | 1,222 | 52.0% | 61.4% | 9.4 |
| Men | 4,936 | 767 | 48.0% | 38.6% | -9.4 |
| RACE | | | | | |
| White | 7,412 | 1,442 | 72.1% | 72.5% | 0.4 |
| Black | 609 | 134 | 5.9% | 6.7% | 0.8 |
| Hispanic | 1,014 | 149 | 9.9% | 7.5% | -2.4 |
| Amrcn Indn / Alskn Ntv | 316 | 61 | 3.1% | 3.1% | 0.0 |
| Asian / Pacific Islander | 589 | 120 | 5.7% | 6.0% | 0.3 |
| Unidentified | 339 | 83 | 3.3% | 4.2% | 0.9 |
| LANGUAGE | | | | | |
| English | 9,895 | 1,949 | 96.3% | 98.0% | 1.7 |
| Spanish | 283 | 19 | 2.8% | 1.0% | -1.8 |
| Chinese | 6 | 2 | 0.1% | 0.1% | 0.0 |
| Vietnamese | 27 | 8 | 0.3% | 0.4% | 0.1 |
| Laotian | 2 | 0 | 0.0% | 0.0% | 0.0 |
| Russian | 24 | 2 | 0.2% | 0.1% | -0.1 |
| Polish | 1 | 0 | 0.0% | 0.0% | 0.0 |
| Korean | 17 | 4 | 0.2% | 0.2% | 0.0 |
| Other | 24 | 5 | 0.2% | 0.3% | 0.1 |
| AGE GROUP | | | | | |
| Under 18 | 0 | 2 | 0.0% | 0.1% | 0.1 |
| 18-20 | 356 | 42 | 3.5% | 2.1% | -1.4 |
| 21-24 | 1,192 | 157 | 11.6% | 7.9% | -3.7 |
| 25-34 | 2,939 | 581 | 28.6% | 29.2% | 0.6 |
| 35-44 | 2,232 | 494 | 21.7% | 24.8% | 3.1 |
| 45-54 | 1,467 | 328 | 14.3% | 16.5% | 2.2 |
| 55-59 | 380 | 77 | 3.7% | 3.9% | 0.2 |
| 60 & Up | 260 | 69 | 2.5% | 3.5% | 1.0 |
| Unknown | 1,453 | 239 | 14.1% | 12.0% | -2.1 |
| EDUCATION LEVEL | | | | | |
| None | 31 | 3 | 0.3% | 0.2% | -0.1 |
| 1-7 yrs | 209 | 23 | 2.0% | 1.2% | -0.8 |
| 8 yrs | 80 | 24 | 0.8% | 1.2% | 0.4 |
| 9-11 yrs | 1,140 | 176 | 11.1% | 8.8% | -2.3 |
| High School Diploma | 3,680 | 632 | 35.8% | 31.8% | -4.0 |
| GED | 859 | 179 | 8.4% | 9.0% | 0.6 |
| Some College/Vocntl | 2,682 | 587 | 26.1% | 29.5% | 3.4 |
| Associate Degree / Vocational Certificate | 620 | 123 | 6.0% | 6.2% | 0.2 |
| Bachelors Degree | 812 | 193 | 7.9% | 9.7% | 1.8 |
| Masters Degree | 142 | 43 | 1.4% | 2.2% | 0.8 |
| PHD Degree | 24 | 6 | 0.2% | 0.3% | 0.1 |
| RESIDENCE | | | | | |
| Rural | 2,577 | 392 | 25.1% | 19.7% | -5.4 |
| Urban | 6,273 | 1,258 | 61.0% | 63.2% | 2.2 |
| Out-of-State | 1,429 | 339 | 13.9% | 17.0% | 3.1 |
| UNION STATUS | | | | | |
| Full Referral | 243 | 39 | 2.4% | 2.0% | -0.4 |
| Qualified Referral | 15 | 2 | 0.1% | 0.1% | 0.0 |
| Non-Union | 10,021 | 1,948 | 97.5% | 97.9% | 0.4 |

* Percentages may not total 100% due to rounding.

Table continued on next page

Table 2: Different Outcome Decisions Compared to Old Law Denials – Data by Variable (continued)

| Voluntary Quit Decisions July-December, 2004 TOTAL: 16,825 | (1) | (2) | (3) | (4) | (5) |
|--|---------------------------------|---------------------------------------|---------------------|-------------------|--|
| | OLD LAW | DIFFERENT OUTCOME | OLD LAW | DIFFERENT OUTCOME | Percentage Point Difference (4) – (3) |
| | # Deny | # Deny | % of Total Denials* | % of Denials* | |
| | <i>(same outcome both laws)</i> | <i>(deny new law / allow old law)</i> | (1) + (1) ALL | (2) + (2) ALL | |
| ALL | 10,279 | 1,989 | 100.0% | 100.0% | N/A |
| OCCUPATION | | | | | |
| Profsnl/TechncI/Mgmt | 2,711 | 644 | 26.4% | 32.4% | 6.0 |
| Clerical/Sales | 2,641 | 570 | 25.7% | 28.7% | 3.0 |
| Service | 2,002 | 345 | 19.5% | 17.3% | -2.2 |
| Agric/Forest/Fish | 320 | 37 | 3.1% | 1.9% | -1.2 |
| Processing | 297 | 46 | 2.9% | 2.3% | -0.6 |
| Machine Trades | 428 | 57 | 4.2% | 2.9% | -1.3 |
| Benchwork | 172 | 33 | 1.7% | 1.7% | 0.0 |
| Structural | 902 | 139 | 8.8% | 7.0% | -1.8 |
| Miscellaneous | 806 | 118 | 7.8% | 5.9% | -1.9 |
| INDUSTRY | | | | | |
| Agric / Forest / Fish | 404 | 52 | 3.9% | 2.6% | -1.3 |
| Mining | 10 | 1 | 0.1% | 0.1% | 0.0 |
| Construction | 642 | 133 | 6.2% | 6.7% | 0.5 |
| Manufacturing | 872 | 132 | 8.5% | 6.6% | -1.9 |
| Trnsprtn / Cmmnctn / Utilities | 451 | 83 | 4.4% | 4.2% | -0.2 |
| Wholesale | 427 | 74 | 4.2% | 3.7% | -0.5 |
| Retail | 2,332 | 460 | 22.7% | 23.1% | 0.4 |
| Finance / Insurance / Real Estate | 457 | 115 | 4.4% | 5.8% | 1.4 |
| Service | 3,457 | 733 | 33.6% | 36.9% | 3.3 |
| Public Administration | 289 | 63 | 2.8% | 3.2% | 0.4 |
| Not Classified | 938 | 143 | 9.1% | 7.2% | -1.9 |

Percentages may not total 100% due to rounding.

Table 3: T-Test Results for New Law Denials Compared to Old Law Denials and New Law Denials Compared to Different Outcome Decisions

| | New Law Denials compared to Old Law Denials | New Law Denials compared to Different Outcome Decisions |
|-----------------|---|---|
| | T-Test Result | T-Test Result |
| Gender | 17.22% | 0.89% |
| Race | 85.62% | 24.43% |
| Language | 89.86% | 40.25% |
| Age Group | 67.58% | 1.24% |
| Education Level | 74.96% | 4.30% |
| Residence | 78.60% | 12.66% |
| Union Status | 90.36% | 43.92% |
| Occupation | 68.97% | 1.71% |
| Industry | 71.55% | 2.41% |

Appendix D

Quit Reasons: *Different Outcome* (denied by new law, allowed under old law)

| | (1) | (2) | (3) | (4) | (5) | (6) |
|--|------------------------------|-----------------|---------------|--|--|--|
| | DIFFERENT OUTCOME DECISIONS | | | | | |
| QUIT REASON | TOTAL # DENY (2) + (3) | WOMEN # DENY | MEN # DENY | WOMEN % OF TOTAL DENIALS (2) ÷ (1) | MEN % OF TOTAL DENIALS (3) ÷ (1) | PERCENTAGE POINT DIFFERENCE (4) vs. (5) |
| ALL | 1,989 | 1,222 | 767 | N/A | N/A | N/A |
| WORK-RELATED | | | | | | |
| Deterioration of work factors (miscellaneous) | 576 | 326 | 250 | 56.6% | 43.4% | 13.2 |
| Compensation reduced | 45 | 14 | 31 | 2.4% | 5.4% | 3.0 |
| Hours reduced | 56 | 26 | 30 | 4.5% | 5.2% | 0.7 |
| Illegal activities at worksite | 40 | 25 | 15 | 4.3% | 2.6% | 1.7 |
| Safety factors at worksite | 36 | 15 | 21 | 2.6% | 3.6% | 1.0 |
| Religious factors | 10 | 5 | 5 | 0.9% | 0.9% | 0.0 |
| Distance/difficulty of travel | 50 | 19 | 31 | 3.3% | 5.4% | 2.1 |
| MARITAL OR DOMESTIC RESPONSIBILITIES | | | | | | |
| Domestic responsibility | 385 | 263 | 122 | 45.7% | 21.2% | 24.5 |
| Marital responsibility | 183 | 144 | 39 | 25.0% | 6.8% | 18.2 |
| Follow spouse due to employer-initiated, mandatory transfer | 78 | 68 | 10 | 11.8% | 1.7% | 10.1 |
| Married and moved outside normal commute distance | 17 | 14 | 3 | 2.4% | 0.5% | 1.9 |
| Attend previously-approved Commissioner Approved Training | 1 | 1 | 0 | 0.2% | 0.0% | 0.2 |
| ILLNESS/DISABILITY | | | | | | |
| Illness/disability of claimant | 373 | 224 | 149 | 38.9% | 25.9% | 13.0 |
| Illness/disability/death of claimant's immediate family member | 139 | 78 | 61 | 13.5% | 10.6% | 2.9 |

* Percentages may not total 100% due to rounding.