

PROPOSED STUDY QUESTIONS

Unemployment Insurance Training Benefits Program: Second Report

State of Washington Joint Legislative Audit and Review Committee

May 2021

The Training Benefits program provides unemployment benefits while participants pursue new career training

The Employment Security Department (ESD) offers a Training Benefits program. It provides up to 26 additional weeks of unemployment benefits to approved participants while they train for high-demand occupations.

1,209 Participants Approved in Fiscal Year 2019

\$8,609,446

Benefits Paid in Fiscal Year 2019

Participants must enroll in an approved training program and maintain satisfactory progress to receive unemployment benefits. The program does not pay for the cost of tuition, fees, or books. Participants are not required to search for work while enrolled in training.

Benefits to program participants are paid out of the Unemployment Insurance (UI) Trust Fund. Washington employers pay taxes to support this fund. Unlike regular UI payments, employers do not pay an increased tax rate if former employees participate in the program.

Legislature directed JLARC to review the program every five years

The review includes the program's compliance with legislative intent, effectiveness in improving employment outcomes, efficiency, and recommendations for improvement. This will be JLARC's second review.

JLARC issued its <u>first report in 2016</u>, concluding that most Training Benefits program participants completed training for new occupations. However, the program had not increased earnings for some participants, and some were unable to make up the wages lost during training. The Legislative Auditor recommended that ESD improve some aspects of program administration and analyze why some participants have better outcomes than others.

This study will address the following questions for 2016-2020

- 1. How has ESD changed the program and responded to the recommendations in JLARC's 2016 evaluation?
- 2. How do the characteristics of participants (e.g., age, gender) and their training programs (e.g., subject, training type) affect outcomes?
- 3. What information or assistance does ESD provide to applicants about the potential advantages and disadvantages of training for a new career?
- 4. What information is available about outcomes for similar programs in other states?

Study Timeframe

Preliminary Report: December 2021 Proposed Final Report: January 2022

Study Team

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JLARC Study Process Study
Mandate
Budget, legislation, committee direction

Proposed Study Questions Legislative Auditor's Preliminary Report Legislative Auditor's
Proposed Final Report
Agency response included

Final
Report
Option to append
committee comment

 Committee votes to distribute completed audit