#### PROPOSED FINAL REPORT Unemployment Insurance Training Benefits Program

#### Legislative Auditor's Conclusion:

ESD's administration of the Training Benefits Program complies with statute. However, the Program caused most participants to earn less than their peers over time.







# Legislative Auditor's Recommendation

Because the Training Benefits Program is not meeting the Legislature's stated objective to enhance participants' earning power, the Legislature should consider eliminating or modifying the Program.

ESD, SBCTC and OFM partially concur.

# Training Benefits Program provides extended unemployment payments

Up to 26 weeks of payments, after exhausting regular unemployment insurance (UI) benefits.

Participants must enroll in an approved vocational training program and maintain satisfactory progress.

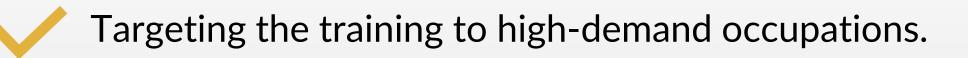
Participants are not required to search for work while enrolled in training.





# Legislative intent

Retraining unemployed individuals whose skills are no longer in demand.



Enhancing the earning power of participants.



Retraining unemployed individuals whose skills are no longer in demand.

Targeting the training to high-demand occupations.

Applicants choose from approved list of training programs.

Staff adjudicators verify eligibility and ensure participants are making satisfactory progress.

ESD implemented most of JLARC's 2016 recommendations.





**X** Enhancing the earning power of participants.

ESD conducted net impact analysis to evaluate effects on participants' earnings.

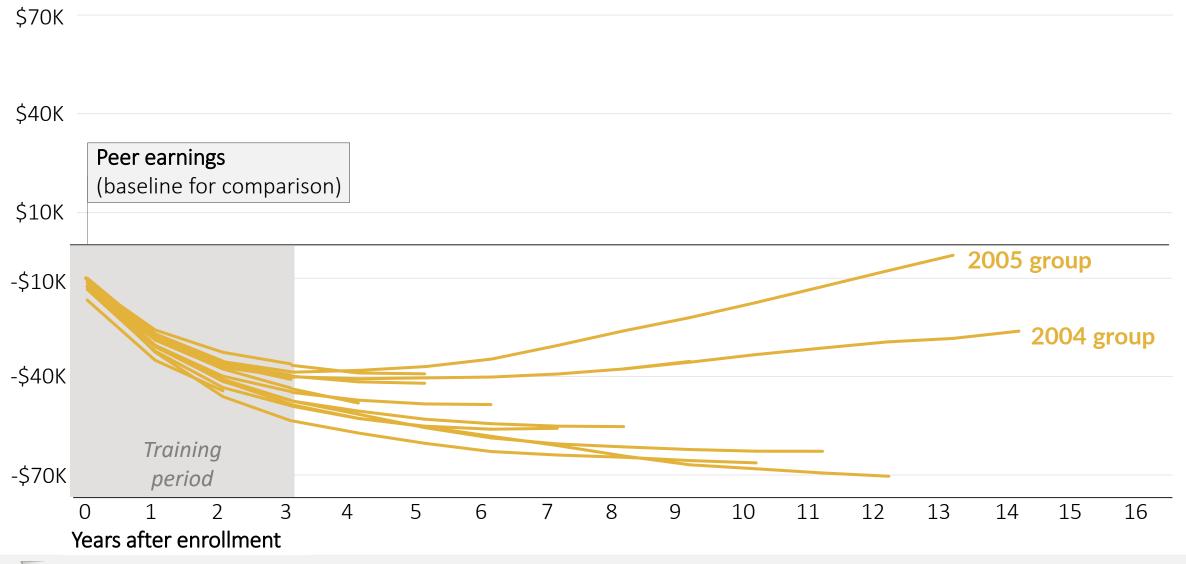
JLARC's hired economist reported a high level of confidence in ESD's methods and results.

Overall, the program caused participants to earn less than their peers.



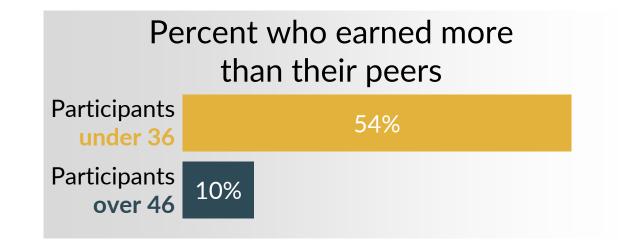
#### All groups of participants since 2003 earned less than their peers

#### Cumulative difference in earnings



Proposed Final Report | Unemployment Insurance Training Benefits Program

Younger and lower income participants had better earnings outcomes



ESD's analysis indicates that people who had lower incomes prior to enrolling were more likely to positively benefit from the Program.



Overall, participants earned an average of



less per year than their peers







# Legislative Auditor's Recommendation

Because the Training Benefits Program is not meeting the Legislature's stated objective to enhance participants' earning power, the Legislature should consider eliminating or modifying the Program.

ESD, SBCTC and OFM are in favor of modifying, but not eliminating, the Program.

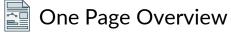
## **Next Steps**

2026 evaluation

View the full report: www.leg.wa.gov/jlarc



Video Summary



PDF Version





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