

2020 Full Employment Best Practices Award Georgia Department of Labor

Background

Amid an unprecedented economic shutdown, a specialized state of emergency enabled a robust COVID-19 response by the Georgia Department of Labor (GDOL), which addressed mass layoffs, optimized online services and more quickly connected claimants to employment. GDOL's rapid action helped mitigate the economic impacts on workers and employers of the most devastating economic crisis since the Great Depression.

Prior to the pandemic, in February 2020, Georgia's unemployment rate was at an all-time low of 3.1%. At the peak of the crisis, the rate reached 12.6%, with more than 600,000 Georgians unemployed. Like other states, Georgia saw an unprecedented number of unemployment insurance (UI) claims:

- Since the week ending March 21, 2020, 4.3 million regular UI initial claims have been processed—**more than the nine prior years combined (4.0 million)**¹.
- Over the course of the pandemic, GDOL has processed 346,248 PUA claims.
- A record 390,130 UI claims were filed in one week (April 4, 2020)
- Through January 14, 2021, GDOL had paid **over \$17 billion in state and federal benefits** since the pandemic began last March

Initiative Summaries

- 1. Employer Connectivity through RESEA.** GDOL's Reemployment Services and Eligibility Assessment (RESEA) program was one of the first in the country to go completely virtual. And unlike other states that refocused priorities, GDOL's never suspended its RESEA program services and immediately transitioned to an online and virtual platform.
- 2. Optimizing Impact of Online Services for Employee Recruitment and Rapid Response.** GDOL provided unprecedented virtual assistance during the pandemic, integrating the claim process and employment services. Though Career Centers throughout Georgia are still closed to the public, online services have become increasingly more effective and efficient in serving Georgians.
- 3. Reemployment Initiative \$300 Wage Allowance.** GDOL encouraged early engagement in reemployment services by effectively focusing on claimant job reemployment and employer participation. This was achieved by providing incentives for UI claimants to return to the workforce without diminishing their Unemployment Insurance (UI) benefits. GDOL was the only state in the nation to provide a \$300 wage allowance, which was highlighted by a national organization as a practice for other states to consider during the pandemic.

¹ GDOL Press Release: <https://dol.georgia.gov/press-releases/2021-01-14/gdol-continues-phased-implementation-continued-assistance-act>

Initiative Details

1. Employer Connectivity through RESEA Virtual Orientations and Services for UI Claimants

Purpose and Objective: Georgia was one of the first states in the nation to provide RESEA services completely through a virtual platform starting March 18, 2020. By doing so, it was able to continue its RESEA reemployment services despite the elimination of in-person options driven by the pandemic.

Description and Design: Prior to the pandemic, the RESEA program mandated in-person services. As a result of the pandemic, Georgia's RESEA program services transitioned to 100% virtual delivery, with appointments scheduled in partnership with customers in advance. All system-generated communication requiring UI customers to report for services in person were edited to advise customers of their virtual appointment, and direct them to contact GDOL RESEA staff if they needed to adjust their phone or video meetings.

GDOL flexibly reallocated staff resources across the department to support fluctuating UI claims and reemployment activities. This entailed cross-training staff, enabling remote work, extending hours of operation, and rotating in-office scheduling to minimize pandemic exposure risks.

Career development facilitators worked remotely with claimants to design job search strategies and assist with job readiness, e.g., résumés, supportive services, counseling and referrals to job openings and training. Among the virtual services for participants were orientation, case management services, job search assistance and referrals to training. Documents are shared electronically and via secure email when necessary.

Virtual services provided to impacted business included employer information sessions, employee information sessions, job fairs and workshops, and other labor exchange services to support reemployment.

Results

- Georgia was not only able to keep its RESEA program operating continuously through the shutdown, it was able to expand the number of UI claimants receiving RESEA services from 9,357 in calendar year 2019 to 12,794 in 2020.
- Georgia's also served an array of virtual services to 952 impacted businesses.

2. Optimizing Impact of Online Services for Employee Recruitment & Rapid Response

Purpose and Objective: To slow the spread of the COVID-19 virus, GDOL closed all Career Centers to in-person services, and they remain closed today. To continue serving Georgians effectively and efficiently, GDOL set out to optimize online services, provide first-time services for reemployment, integrate employment services and claim process.

Overall Design: To serve job seekers, employers and the largest number of UI applicants in Georgia's history, GDOL launched new tools, online services, customized training and virtual job fairs. GDOL eliminated the in-person requirement for UI eligibility determination, and within days had a safe and secure online system to process UI claims. GDOL also boosted current systems

and launched new ones to ensure every eligible applicant receives their UI benefits as quickly as possible.

Rapid Response - Design: To overcome pandemic-related challenges, all services were transitioned to virtual service delivery using various internet- based platforms. These include remote employer and employee information sessions, reemployment preparation workshops (resume writing, interview techniques, utilizing social media, preparing for virtual job fairs), job-matching assistance, etc. Virtual Workshops were held to provide Rapid Response services for employers faced with layoffs.

Rapid Response - Results: GDOL’s response teams responded swiftly with layoff aversion activities to address employee layoffs and company closures to serve impacted businesses and communities throughout Georgia.

- From January 1, 2020 to December 30, 2020, Worker Adjustment and Retraining Notification Act (WARN) notices reported an estimated 43,694 employees laid off.
- Between July 1, 2019 through June 30, 2020:
 - 51,327 newly impacted employees were represented
 - 236 employer meetings were provided
 - 9 job fairs were hosted/participated in
 - 5 other (i.e., Trade, Union) meetings were hosted
- GDOL’s Rapid Response team provided customized virtual workshops for businesses and, for example, held a week-long series of virtual workshops customized for employees of Delta Airlines.
- GDOL processed (882) employer notices during PY19. That’s well over four times the number handled during PY18 (198). During March through May 2020 alone, GDOL processed 626 business layoff/closure notices – more than triple the total received for all of PY18.

Employee Recruitment - Design: GDOL’s Business Services Unit (BSU) held virtual job fairs to connect Displaced Workers with disaster-relief employment.² GDOL also launched an appointment scheduler process to address claimant needs. The scheduler allows claimants to request an appointment with a claims representative to ask questions regarding their claim. Each appointment is assigned a two-hour window in which a representative will call the claimant.

A Labor Exchange System Technical Assistance Video Library was also developed. Accessed through the public EmployGa platform, these instructional videos help job seekers with creating a labor exchange account and résumé creation, job exploration and referral – and assists employers in creating accounts, drafting and posting job orders and searching for qualified employees.

Employee Recruitment - Results. Despite the pandemic, GDOL feels it was able to provide small businesses throughout Georgia with exceptional service through GDOL’s Business Services Unit (BSU). Between July 1, 2019 through June 30, 2020:

- Virtual Job Fairs began being held to recruit for disaster relief jobs³
- Over 182 new, existing or expanding businesses were served
- To match business needs, more than 56,086 applicants were recruited before and during

² Governor Kemp Press Release: <https://gov.georgia.gov/press-releases/2020-10-20/technical-college-system-georgia-awarded-additional-13-million-dislocated>

³ GDOL Virtual Job Fairs: <https://dol.georgia.gov/gdol-virtual-job-fair>

- the pandemic and numbers are increasing
- Provided over 77,919 staff assisted services
- Recruited for 2,164 job orders
- Created 185 accounts with businesses never previously served by GDOL
- Held more than 70 recruitment events with over 3,537 attendees

Between March 2020-December 2020, BSU

- Contacted 2,920 employers offering and providing employee recruitment services
- Recruited 43,914 job seekers to apply for jobs that matched their job skills
- Total Events: 16
- Total Employers: 100
- Total Attendees: 2209

3. Reemployment Initiative \$300 Wage Allowance: Labor Commissioner Mark Butler implemented a series of emergency rules to ease the burdens of COVID-19 pandemic and the devastating impacts of the economic shutdown. One of these rules provides a \$300 Wage Earning Allowance – which appears to be unique in the U.S. This allowance is still in effect. The rule increased the earnings exemption amount from \$50 to \$300, allowing individuals to make \$300 a week without reducing their weekly UI benefit amount.

Purpose: The allowance was intended to:

- Encourage employees to continue to work or return to work without financial penalty to UI wages. For example, individuals who’ve been laid off and take a part-time job can make up to \$300 a week and still receive full unemployment benefits as well as the Federal Pandemic Unemployment Compensation (FPUC) benefit of \$600 (now \$300).
- Help employers avoid layoffs, as employers can instead reduce work hours knowing employees can still qualify for weekly benefits and the federal \$600 (now \$300) weekly supplement simultaneously.
- Help employers recruit part-time employees who would otherwise lose UI benefits as well as the federal bonus payment by taking work.

Description & Law Changes: When Governor Kemp evoked an Emergency Declaration, GDOL was able to approach the attorney general who agreed the governor had authority to suspend legal requirements that are considered “process.” Governor Kemp issued an executive order for deductible earnings and immediately filed an emergency rule authorizing a \$300 wage allowance. (Because it was an emergency rule, no comment period was required.) The Rule became effective March 26, 2020.

In August, the legislature, changed the law when they convened to allow the Georgia Labor Commissioner to set the Wage Earning Allowance between \$50 and \$300. The Emergency Rule has since sunset, but the \$300 Wage Allowance remains in effect and the Commissioner is applying it to COVID-19-impacted Georgians.

Funding the Program. Georgia decided to not penalize employers hit by the pandemic. Georgia did not charge employer accounts for regular UI claims filed by their employees. Those costs were instead charged as socialized costs to the state’s UI trust fund. In addition to state funds, some federal dollars were used to fund the socialized costs.

Results:

- **Employment.** Data shows that an overwhelming majority of Georgia’s UI claimants who receive UI benefits have taken advantage of the opportunity to earn additional income over \$50. Indeed, three quarters of UI recipients (77% of the 724,190 Regular UI and PUA recipients) appear to have taken advantage of the opportunity to earn more than \$50.

Claimants who had earnings ≤ \$50 & received payment of at least \$1

Claim Type	Claimants	Weeks
UI	140,181	489,336
PEUC	19,084	82,979
SEB	3,076	6,830
PUA	27,631	149,406

Claimants who had earnings > \$50 & received payment of at least \$1

Claim Type	Claimants	Weeks Paid
UI	491,791	3,749,986
PEUC	80,108	532,165
SEB	11,044	32,793
PUA	64,587	699,832

- **Personal Income Data:** In the third quarter, Georgia had the lowest decrease in personal income in the nation. Georgia was the only state in the nation to see less than a 1% personal income decline, according to the Bureau of Economic Analysis⁴. Georgia feels the rule implementation of a \$300 wage allowance is a contributing factor to these positive impacts.
- **Essential Workers:** Demand for gig workers has skyrocketed during the pandemic. Allowing wage earnings as high as \$300 without penalty helps prevent the elimination of work for hundreds of Georgians who offer essential services to their fellow citizens at a time when thousands are counting on them for such critical services.
- **Trust Fund Impact:** Although GDOL does not have precise data on the impact of the program to its UI trust fund, Georgia has been able to keep trust fund employer contribution rates from increasing as of January 2021.

Opportunity for Further Study. This promising idea of increasing claimants’ wage allowance could use further research in the following areas:

- What are the 18-month employment, earnings impacts on those who took advantage of the earnings provision compared to a similar group who did not?
- How are the socialization of COVID-19 claims costs impacting UI tax rates for employers without claims?
- How did the fill time for open job orders decrease for those hiring UI claimants entitled to keep part of their UI benefits while working?

⁴ Personal Income by State, 3rd Quarter 2020 <https://www.bea.gov/data/income-saving/personal-income-by-state>

Summary

Georgia reacted quickly to respond to the historically challenging pandemic environment by moving its RESEA services fully virtual to avoid any gap in service, by providing employer services virtually and by changing its earnings allowance to incentivize more employment at a critical time when the economy needed more workers and workers needed employment.

For these reasons, the American Institute for Full Employment is pleased to award the state of Georgia a Full Employment Best Practice Award for 2020.

The American Institute for Full Employment is a nonprofit consulting group that studies, designs and helps states implement best reemployment practices in Unemployment Insurance and workforce programs. Our team of consultants includes former state agency executives who have extensive experience managing state programs and are devoted to helping states achieve their potential.

www.fullemployment.org | 800.562.7752 | info@fullemployment.org