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Unemployment Insurance Advisory Council to Meet

PIERRE, S.D. – The South Dakota Department of Labor and Regulation’s (DLR) Unemployment Insurance Advisory Council will meet Monday, April 30 to discuss potential future changes to the unemployment insurance system.

The Council did not recommend any legislation for the 2012 session, but continues to discuss the Unemployment Compensation (UC) Integrity Act of 2011 for legislation in 2013.

State Unemployment Insurance Division Director Pauline Heier introduced the three federal requirements of the UC Integrity Act at the last Council meeting. The UC Integrity Act is designed to combat fraud and uphold the integrity of the unemployment system.

“We would be looking at a mandatory monetary penalty on claimants who file fraudulently,” said Heier. “There is also an employer piece for businesses who fail to respond to agency requests for information.”

The third piece includes reporting rehired employees to the National Directory of New Hires, which is already required of employers.

The Council will also evaluate the employer surcharge mechanism, which triggers on when the unemployment insurance trust fund falls below \$11 million at the end of any quarter.

“We need to consider the effectiveness and practicality of the amount of the surcharge and the point at which it triggers,” said State Labor and Regulation Secretary Pam Roberts, who also chairs the Council. “I look forward to any suggestions and comments the business community can offer us.”

The meeting will start at 1:30 p.m. CDT. It will be held in Pierre at the Kneip Building located at 700 Governors Dr. For more information, visit <http://dlr.sd.gov/ui/uiadvisorycouncil.aspx>