



SOUTH DAKOTA
DEPT. OF LABOR
& REGULATION

Reemployment Assistance Advisory Council Meeting

JULY 30, 2019

Director's Report

- 2019 Legislation
 - HB 1034, provided a tax break to employers by lowering all tax rates in Schedule B by .05 percent.
 - HB 1035, changed the name of the unemployment insurance program to the reemployment assistance program.
 - Six administrative rule changes were adopted to align terminology with statute and to replace some outdated language with more current language.
- Administrative Fee
 - \$798,341 in CY 2018

Director's Report

- The maximum weekly benefit amount for initial claims filed on and after July 7 increased from \$402 to \$414.
- Disaster Unemployment Assistance (DUA) was recently authorized for 16 counties and reservations for self-employed individuals and farmworkers who are unable to work due to the severe winter storms and flooding that occurred from March 13 to April 26.
- No findings were discovered during the annual Trust Fund audit for FY 2018.

Director's Report

- Optimize DLR
 - Improved the efficiency of processing and depositing checks by using Desktop Deposit service.
 - Currently working on the employer registration processing project that is focused on increasing online application usage.
 - Future projects include:
 - Streamlining audit files processes.
 - Increasing online filing of employer's quarterly wage reports.

UI Trust Fund – Projected 2018

as of September 27, 2018

UI Financials - Quarterly Summary

(in Millions)

CY 2018	Actual	Actual	Projected	Projected	Total
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Contributions/Interest In	\$4.5	\$12.8	\$8.7	\$6.0	\$32.0
Benefits Paid Out	\$12.6	\$5.8	\$3.5	\$5.7	\$27.6
Trust Fund	\$113.1	\$120.2	\$125.6	\$125.9	\$125.9

*Actual data through August 2018.

Trust Fund – Actual 2018

RA Financials - Quarterly Summary (in Millions)

CY 2018	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Contributions/Interest In	\$4.5	\$12.8	\$8.7	\$5.9	\$31.9
Benefits Paid Out	\$12.6	\$5.8	\$3.3	\$3.8	\$25.5
Trust Fund	\$113.1	\$120.2	\$125.6	\$127.8	\$127.8

Trust Fund Totals

(in millions)

Year	Total Income <i>In</i>	Benefits Paid <i>Out</i>	Trust Fund
2009	31.6	63.6	-7.7
2010	84.2	49.7	26.1
2011	48.8	38.7	36.5
2012	45.9	33.3	51.3
2013	43.7	30.1	65.9
2014	44.3	26.5	84.8
2015	38.7	24.9	99.5
2016	40.9	27.6	112.4
2017	37.6	28.8	121.4
2018	31.9	25.5	127.8

Trust Fund – Projected 2019

as of July 23, 2019

RA Financials - Quarterly Summary

(in Millions)

CY 2019	Actual	Actual	Projected	Projected	Total
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Contributions/Interest In	\$4.1	\$13.6	\$9.0	\$5.9	\$32.6
Benefits Paid Out	\$11.9	\$5.4	\$4.0	\$4.9	\$26.2
Trust Fund	\$120.0	\$128.3	\$133.3	\$134.3	\$134.3

*Actual data through June 2019.

Trust Fund

- To trigger the reduced rate tax table (Schedule B) for calendar year 2020, the June 30, 2019 trust fund needs to have a balance of at least \$115.3 million.
- June 30, 2019 trust fund balance was \$128.3 million.
- Schedule B will be in effect for 2020.

Trust Fund – Projected 2020

as of July 23, 2019

RA Financials - Quarterly Summary

(in Millions)

CY 2020	Projected	Projected	Projected	Projected	Total
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Contributions/Interest In	\$4.1	\$12.5	\$8.4	\$5.6	\$30.6
Benefits Paid Out	\$13.0	\$5.9	\$3.9	\$4.7	\$27.5
Trust Fund	\$125.4	\$131.9	\$136.5	\$137.4	\$137.4

*Projected using Schedule B.