

South Dakota Department of Labor and Regulation Unemployment Insurance Advisory Council 2018 Annual Report

The Unemployment Insurance (UI) Advisory Council's primary responsibility is to aid the Department of Labor and Regulation (DLR) in reviewing the UI program as to its content, adequacy, and effectiveness and to make recommendation for improvements. The Council is composed of Governor-appointed members representing the interests of employers and employees and the public.

This year brought changes to the members of UI Advisory Council. Council members prior to August 2018 included Marcia Hultman (chair), Robert Anderson, Tim Fitzgerald, David Owen, Douglas Severson, Kari Karst, Don Kattke, Shawn Lyons, and Carol Hinderaker. Current council members include Marcia Hultman (chair), Robert Anderson, Tim Fitzgerald, Pam Roberts, David Owen, Douglas Severson, and Kari Karst.

This document serves as the report of meetings, discussions, and recommendations of the UI Advisory Council pursuant to SDCL 61-2-7.1. The report is available to any interested person or groups and can be found on the DLR website at dlr.sd.gov.

Council action for 2018 began with a meeting on June 26, 2017. The Council was given an update on the financial status of the State UI Trust Fund and was apprised of the status of legislation proposed during the 2018 legislative session which affected the UI program. HB 1030 was passed and provided DLR with the authority to cleanup UI records by allowing the cancellation and removal of employer contribution debt for which there is no available means of collecting.

The Council held their second meeting on October 11, 2018. The Council reviewed the current UI financial projections (Attachment A) based on the most recent benefit payment and revenue information. The Council also received an update on the amount of funding collected from the administrative fee.

The Council had no recommendations for change to the Governor or the Legislature at the final 2018 Council meeting.

Respectfully submitted on October 11, 2018, by the Unemployment Insurance Advisory Council.

Attachment A – Trust Fund Projections for the October 11, 2018, Council Meeting

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

CY 2019	Projected	Projected	Projected	Projected	Total
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Contributions/Interest In	\$4.3	\$13.7	\$9.1	\$5.9	\$33.0
Benefits Paid Out	\$13.0	\$6.2	\$4.0	\$5.8	\$29.0
Trust Fund	\$117.2	\$124.7	\$129.8	\$129.9	\$129.9