

Unemployment Insurance (UI) Advisory Council Meeting Minutes  
September 22, 2016  
Kneip Building, Conference Room #3  
700 Governors Drive  
Pierre, SD

**Members Present**

Marcia Hultman, Chair  
Carol Hinderaker  
Robert Anderson  
Don Kattke  
Shawn Lyons  
David Owen  
Douglas Severson

**Members Absent**

Tim Fitzgerald

**Others Present**

Pauline Heier	Jason Simmons
Sarah Petrik	Mackenzie Decker
Tom Hart	Amber Mulder
Dawn Dovre	Deb Mortenson
Liza Clark	Steven Almeida
Maureen Klaudt	Brittni Skipper
Sharon Schnabel	Scott Geffre
Dan Thielsen	Dawn Williams
Mary Grode	Emily Ward

Chairwoman Hultman called the meeting to order, and roll call was taken by Julie Albano. A quorum was present.

Chairwoman Hultman made a correction to the July 19, 2016 minutes. David Owen MOVED to approve the July 19, 2016 minutes as amended. Don Kattke SECONDED. Roll call vote was taken with 7 Yea (Hultman, Hinderaker, Kattke, Lyons, Owen, Anderson, Severson), 0 Nay and 1 Excused (Fitzgerald). **Motion carried.**

Chairwoman Hultman introduced the new council member, Douglas Severson. Douglas is currently Director of the International Union of Bricklayers and Allied Craftworkers.

Chairwoman Hultman informed the Council of the UI program modernization plan. A request for information was sent out. The responses received from vendors are being reviewed. Chairwoman Hultman also discussed the bill that the Department will introduce during the 2017 legislative session. The proposed legislation would allow advice from a physician assistant to be considered good cause for any individual who quit their employer if continued employment is a hazard to their health. Under current law, this only applies if the individual was advised by a medical doctor or chiropractor.

The Council reviewed the State UI Trust Fund projections for calendar year 2016 through 2018. Chairwoman Hultman and Pauline Heier presented a proposed annual tax rating process which incorporates a reduction to current tax rates when the average high cost multiplier (AHCM) reaches 1.6 on June 30th of any given year. Rates for the following year would then be reduced by a set amount for all employers. The proposal also included adding a .02 percent administrative fee to address the continued underfunding by the US Department of Labor for the administration of the UI program. Discussion was held by the Council on the proposal.

Chairwoman Hultman opened the floor for public comment of the proposals. There was no public comment.

Shawn Lyons MOVED to support the Department of Labor and Regulation in drafting legislation that will result in an administrative offset fee of .02 percent and establish the process of implementing an alternate tax rate table when the June 30th AHCM rate is 1.6 percent or above. The alternate tax rate table would reduce tax rates by 0.1 percent. David Owen SECONDED. Roll call vote was taken with 7 Yea (Hultman, Hinderaker, Kattke, Lyons, Owen, Anderson, Severson), 0 Nay and 1 Excused (Fitzgerald). **Motion carried.**

The Council will meet in October to review and vote for approval of the 2016 Annual Report.

Rob Anderson MOVED to adjourn the meeting. Carol Hinderacker SECONDED. **Motion carried.**

Meeting adjourned at 2:26 p.m.