

**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, employees, and the public.

Members of 2018 UI Advisory Council included:

*Public Representatives*

- Marcia Hultman, Chair
- Don Kattke through August 2018; replaced by Pam Roberts

*Employer Representatives*

- Rob Anderson
- Kari Karst
- Shawn Lyons through August 2018: replaced by Dr. Nathan Sanderson
- David Owen

*Employee Representatives*

- Tim Fitzgerald
- Carol Hinderaker through August 2018; replaced by Dan Schmidt
- Douglas Severson

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](http://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)

<b>CY 2018</b>	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Projected</b>	<b>Total</b>
	<b>1st Qtr</b>	<b>2nd Qtr</b>	<b>3rd Qtr</b>	<b>4th Qtr</b>	
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
<b>Trust Fund</b>	<b>\$113.1</b>	<b>\$120.2</b>	<b>\$125.6</b>	<b>\$125.9</b>	<b>\$125.9</b>

<b>CY 2019</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Total</b>
	<b>1st Qtr</b>	<b>2nd Qtr</b>	<b>3rd Qtr</b>	<b>4th Qtr</b>	
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
<b>Trust Fund</b>	<b>\$117.2</b>	<b>\$124.7</b>	<b>\$129.8</b>	<b>\$129.9</b>	<b>\$129.9</b>