

June 17, 2020 Department Update for the Unemployment Insurance Advisory Council

1. Trust Fund Update

- Current balance of the trust fund as of June 12, 2020: \$1,634,799,608
- Tax contributions January 1 through June 12 are \$319,562,679
- As of June 15, 2020, we had 567 active work-share plans with 18,405 worker participants

2. Unemployment Insurance Benefits Update

- [Current unemployment insurance claims statistics](#)
- Total benefit payments for 3/15/2020-6/12/2020: \$1,862,881,553 (includes federal programs like UCX, UCFE, TRA, etc.)

Benefit Program	Total paid 3/15/20-6/12/20
Pandemic Unemployment Assistance	\$4,731,580
Federal Pandemic Unemployment Compensation	\$1,226,133,075
Regular UI (excludes fed programs like UCX, UCFE, TRA, etc.)	\$630,768,890

- Pandemic Emergency Unemployment Compensation (PEUC)
 - PEUC is a temporary program created by the CARES Act that provides up to 13 additional weeks of payments to individuals who have exhausted their regular UI benefits. The department has been working on programming and testing PEUC. Barring any technical difficulties, UI plans to deploy and start making PEUC payments the week ending June 27.
- Extended Benefits (EB)
 - The US Department of Labor advised Wisconsin that, due to an increase in the state's unemployment rate, we met the criteria to trigger onto the EB Program. EB pays up to 13 additional weeks of benefits to claimants after they exhaust both Regular UI and PEUC. (EB is not available to individuals who receive Pandemic Unemployment Assistance).
 - DWD still needs to program its system to address EB. This will be done after programming for PEUC is completed. While this may delay the payment of EB to those who quickly exhaust both regular UI and PEUC, when they can file for EB, they will be able to file for past weeks and receive benefits due.
- [DWD Announces Updated UI Fraud Numbers, New Fraud Reporting Tools](#)
- Call Center Impact on Wait Times and Calls Taken
 - The [Department of Workforce Development announced](#) the recent onboarding of two contracted call centers, staffed by vendors Alorica and Beyond Vision, has increased its ability to help more Wisconsinites with their unemployment claims.
 - Since May 20, 2020, DWD has made nearly 54,000 customer contacts. Additionally, the number of calls into the call centers has decreased significantly as more calls have been answered, issues have been resolved, and claimants have received their UI benefits.

- DWD continues to onboard additional staff. Alorica had almost 200 agents answering calls as of June 12 and will have 500 staff answering calls by the end of June. Beyond Vision opened at the beginning of June with 23 agents and will have approximately 40 staff handling calls solely related to Pandemic Unemployment Assistance (PUA) applications by next week. DWD also contracted with a claims and adjudication vendor, Nelnet, who is training about 288 people this week. Nelnet will have 300 people processing and adjudicating UI claims by the end of June. Since March 15, UI has hired 334 staff; that number does not include staff temporarily borrowed from other areas. When staffing is complete, UI will have added approximately 1300 individuals to address the volume of calls and claims.

3. Administrative Rules Update

- [Emergency Rule 2006](#) - DWD 127 & 128 – eff. May 9, 2020; expires October 5, 2020
 - This rule covers work search actions during the public health emergency and provides certain treatment of available for work and work available during the COVID-19 pandemic.
 - A public hearing will be held on the rule on [June 18, 2020 at 10:00 a.m. by WebEx](#).

- [Emergency Rule 2011](#) – DWD 113 – eff. June 5, 2020; expires November 1, 2020
 - This rule waives interest in limited circumstances for employers subject to reimbursement financing when reimbursements are delinquent due to COVID-19.
 - If this Emergency Rule is not extended, interest will be waived for June 1, 2020 through November 30, 2020.
 - A public hearing will be held on the rule on [June 25, 2020 at 10:00 a.m. by WebEx](#).

- [SS 070-20](#), DWD 102 (June 5, 2020) – emergency rule scope statement.
 - Currently, an employer’s contribution rate on the employer’s payroll for a given calendar year is based on the reserve percentage of the employer’s account as of the applicable computation date, which is June 30 of each year. Ultimately, however, the employer’s reserve fund balance takes into account all charges and credits on a rolling basis so that the employer’s unemployment experience determines the contribution rate.
 - The new policy to be included in this rule will ensure that employers’ contribution rates are calculated as of June 30, 2021 and meeting the policy goals of 2019 Wisconsin Act 185. Contribution rates for 2022 will be calculated after all recharging is complete.
 - The policy alternative is to do nothing, which would either negatively impact most employers subject to contribution financing because their contribution rates will be higher for 2021 than they should be, or delay payments to claimants of unemployment compensations for federal programs under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. For most employers subject to contribution financing, this would result in higher contribution rates for 2021, which

would not be in accordance with the legislative intent of 2019 Wisconsin Act 185. If no action was taken and the charging went forward, DWD would be required to halt programming changes that get payments to claimants in the federal programs (e.g., Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC), and Extended Benefits (EB)) and reassign and train staff currently processing those claims to assist with the manual recharging efforts in an attempt to meet the June 30, 2020 deadline for calculating 2021 tax rates. This alternative is unreasonable and unacceptable given that there is a way to protect claimants who need these payments *and* protect employers from unnecessarily high contribution rates.

- A public hearing will be held on the scope statement on [June 18, 2020 at 11:00 a.m. by WebEx](#).
- [SS 018-20](#), Ch. DWD 120 (April 6, 2020) – emergency and permanent rule. This scope statement relates to employers providing notice to individual employees about the availability of unemployment insurance benefits at the time of separation. USDOL has determined that individual notice is required; our current rule requiring notice posters is insufficient. DWD has not yet completed a draft of this rule.