

**Employment Security Advisory Board Meeting
Connecticut Department of Labor
February 21, 2014
Minutes**

Members Present: Mark Sullivan, Eric Gjede, Shawn Coyne, Henry Zaccardi, John Toomey, John Barrasso, Sue Garten

Absent: John Olsen

Observer: John McCarthy

Agency Staff: Anne Rugens, Marisa Morello, Lynne Knox, Carl Guzzardi, Bruce Berman, Chris Paquette, Nancy Steffens, Andy Condon, John Matteis, Maria Hagen, Sue Crabb, David Ricciuti, Celeste Valakos, Susan DeVito.

Introduction

Chairman Mark Sullivan called the meeting to order at 9:40 a.m.

The Board approved the minutes of the December 6, 2013 meeting.

1. UI Program Update

Chris Paquette provided a UI Program update. Chris noted that federal Emergency Unemployment Compensation (EUC) had expired, and had not as yet been extended. Twenty-three intermittent employees in the Call Centers will be laid off on February 28th due to the reduction of claims, and CTDOL's Employment Services Division will be working with the intermittent employees to help them find jobs.

Chris also discussed the recent data breach related to the UC 1099G forms and the remediation efforts taken by the Department to control the breach and ensure quickly available identity theft protection and services.

2. Unemployment Trust Fund Update

Carl Guzzardi provided a UI Trust Fund update. Current loan balance is \$575 million, and CTDOL will need an additional \$100 million to pay benefits for the first quarter. However, Carl indicated that once employer payments are received with the quarterly returns, the Department will be able to pay back \$150 million on the loan this year. The federal borrowing rate continues to decline. During 2011, the interest rate was over 4%, the 2012 rate was 2.943%, the 2013 rate was 2.5765% and the rate for 2014 is 2.3874%.

The August Special Assessment may also be lower this year. Last year the rate was 18% while this year's rate will be around 15%.

3. Special Discussion: UI Trust Fund

Sue Garten submitted proposed substitute language for HB 5065 concerning a Task Force on the UI Trust Fund. After discussion, Board members decided to hold a meeting on March 7, 2014 to discuss this bill further.

6. New Business/Future Agenda Items

Sue Garten requested continuing updates on the status of JP Morgan Chase's decision to possibly sell its governmental debit card program. Henry Zaccardi also requested updates on the Department's fraud initiatives - specifically, how much has been saved, and whether the Department has been reaching out to employers.

The meeting was adjourned at 10:45 a.m.