

**Employment Security Advisory Board Meeting
Connecticut Department of Labor
February 26, 2016
Minutes**

Members Present: Mark Sullivan, Shawn Coyne, Sue Garten, Dave Bosco, Robert Niedermeier, John Barrasso, John Toomey

Absent: John Olsen, Eric Gjede

Agency Staff: Commissioner Scott Jackson, Deputy Commissioner Kurt Westby, Carl Guzzardi, Daryle Dudzinski, Bruce Berman, Lynne Knox, John Matteis, Nancy Steffens, Mike Lucente, Heidi Lane, Steve Lattanzio, Maria Hagen.

Introductions

Mark Sullivan called the meeting to order at approximately 9:35 a.m. Mark introduced Commissioner Jackson and Deputy Commissioner Westby.

Approval of Minutes

The minutes of the December 4, 2015 meeting were approved.

UI Program Update

Daryle Dudzinski provided a UI Program Update. Daryle noted that the Agency was just coming out of the busy season, and that the staff reductions of approximately 20% coupled with the unexpected spark in claims during the busy season continue to present a hardship to the claims intake process, resulting in a substantial call wait volume. Daryle discussed the Agency's upcoming online, stop-gap measure which is expected to assist with claims intake until UI modernization occurs. Daryle further noted that, despite the cut backs, the Agency was able to issue employer tax rates at the beginning of the year in a timely manner, and that the Agency's UI integrity efforts have been extremely successful.

Legislative Update

Heidi Lane provided a legislative update of Agency bills and legislative bills that could impact the Agency. In response to Sue Garten's question as to the status of the Advisory Board's recommended comprehensive approach to UI Trust Fund solvency, Commissioner Jackson indicated that he had met with the Labor Committee. He noted, however, that the Committee was unwilling to present the comprehensive package during the short legislative session. He further noted how important it was to continue efforts to obtain support from the employer community.

Unemployment Trust Fund Update

Carl Guzzardi provided a UI Trust Fund Update. Carl noted that the federal loan would be paid this year, and that the Department did not expect to issue any Special Assessments this year. The Department had been sending Special Assessments since 2011. However, Carl noted that the fund requires 1.2 billion to be considered solvent, and that with the current taxing structure, the Fund may have \$350

million by 2022; thus the Fund will not be prepared to meet the next recession. Carl indicated that the federal UI account is essentially bankrupt due to the payments to the states to assist in recovery from the Great Recession. Carl also discussed the Department's decision to not apply for the Benefit Cost Ratio (BCR) waiver, which decision ensured that the Department could pay the remaining balance on the federal loan this year.

Future Agenda Items

The next Advisory Board meetings are scheduled for June 24, 2016 and October 14, 2016.