

Employment Security Advisory Board Meeting (Special)
Connecticut Department of Labor
September 10, 2014
Minutes

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

Agency Staff: Commissioner Sharon Palmer, Deputy Commissioner Dennis Murphy, Stephen Lattanzio, Anne Rugens, Heidi Lane, Maria Hagen, Celeste Valakos, Sue Crabb, David Ricciuti, Carl Guzzardi, Bruce Berman, Daryle Dudzinski, Ken Petow, John Matteis, Andy Condon, Susan DeVito.

Observer: Rich Siegel, UTMC, via Conference Call, George Wentworth, John McCarthy

Approval of Minutes

Mark Sullivan called the meeting to order at 9:35 a.m. The minutes of the August 14, 2014 meeting were approved with the following modifications:

- (1) Change "George" to "Georgia" on page 2.
- (2) Remove the following sentence from page 2 – "Shawn Coyne indicated that he could consider indexing to a point only."

UI Update:

Daryle Dudzinski noted that Chris Paquette had retired, and he was serving as Acting UI Director. Deputy Commissioner Murphy and Daryle discussed the Agency's integrity efforts. Daryle additionally discussed the upcoming SIDES project in which the Department will be engaged.

Unemployment Trust Fund Update:

Carl Guzzardi provided an update to the Special Assessment. Bills were mailed to employers on August 1st with a due date of August 29, 2014. While this is the 4th year in a row with the Special Assessment, the amount of the assessment is approximately ½ of last year's assessment. Unfortunately, the federal tax credit reduction continues to grow each year federal loans remain outstanding. The normal FUTA tax rate is 0.6%. This year, the effective FUTA tax rate for Connecticut employers will be 2.3% and includes a 1.7% credit reduction. Per Carl, the longer Connecticut owes loans back to the federal government, the higher the tax will be.

Discussion on Proposals:

Andy Condon discussed the research his Unit had conducted in regards to implementing a modified incremental reduction in benefit weeks, looking at the model developed by Georgia. Andy noted that he will be working on the other issues in regards to which the Board was seeking information, and would provide them if possible prior to the next Advisory Board meeting. Unfortunately, the USDOL model which he is required to use in forecasting impacts upon the Trust Fund was not operational for a period of time.

On further discussion of the implementation of a waiting week, John Barrasso noted that the implementation of a waiting week could adversely impact the specialized training offered the Mechanical Contractors Association of Connecticut, as traditionally it is considered approved training – enabling an individual to receive the training while receiving UC benefits.

Commissioner Palmer stated that she would like to be able to bring a substantive proposal package to the General Assembly. Henry Zaccardi indicated that the deadline for the Board should be early December at the latest.

Meeting Dates:

Next meeting is scheduled for October 24, 2014 from 9 a.m. to 12 p.m.

The meeting was adjourned at 11:15 a.m.