

Department of Labor & Industrial Relations

9/17/2009

Presentation to the 2009 Legislature
(Updating 1/29/09; 4/07/09; and 7/20/09)



9/17/09 Briefing to Senate & House Committees on Labor

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DEPARTMENT OF LABOR &
INDUSTRIAL RELATIONS

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SUMMARY: DLIR / ARRA FUNDING

UI Total:	\$71.2 million + (estimated \$134 million for EUC Ext.)
WDD Total:	\$ 8.2 million (includes \$6.97 million to county areas)
OCS Total:	\$10.2 million
	<hr/>
	\$89.6 million



UNEMPLOYMENT INSURANCE

Type of Funding	Hawaii's Share	Provisions
1. Special Administration Transfer Funds	\$2.18 million (received week of March 1, 2009)	<ul style="list-style-type: none">• Limited to administration of incentive provisions, outreach to individuals who may now be eligible for UI benefits, improvement of UI benefit and tax operations, and staff-assisted reemployment services to UI claimants. Projected expenses include: new internet claim applications, staffing, software & hardware, EUC extension (Tier 2), alternate IVR site, direct deposit, appeal system modification, data validation and automated claimant registration.• No time limit to obligate or expend.



UNEMPLOYMENT INSURANCE

Type of Funding	Hawaii's Share	Provisions
2. Special Modernization Transfer: Alternate Base Period	\$10.175 million (received week of May 17, 2009)	<ul style="list-style-type: none">•2004 Hawaii law (Act 219, 2003 session) met alternative base period (ABP) requirement to qualify for 1/3 share and to be eligible for additional benefits feature for 2/3 share.•Use limited to payment of benefits unless state legislature appropriates for administration of UI or ES. Monies added to the UI trust fund balance.



UNEMPLOYMENT INSURANCE

Type of Funding	Hawaii's Share	Provisions
<p>3. Special Modernization Transfer: (2 out of 4 additional benefit features needed to comply)</p> <ul style="list-style-type: none">1) allow part-time work2) allow separation due to compelling family reasons <p>The following 2 other features not chosen because requires major modification of benefit system and additional monies:</p> <ul style="list-style-type: none">-if in approved training, the additional 26 weeks of benefits-dependents allowance	<p>\$20.3 million</p> <p>(received August 2009)</p>	<ul style="list-style-type: none">•Act 171 (Senate Bill 1568) enacted to allow benefits to part-time workers and separations due to compelling family reasons.•(Money to be used to pay UI benefits)

Direct ARRA UI Funding: \$32.7 million



UNEMPLOYMENT INSURANCE

Type of Funding	Hawaii's Share	Provisions
4. Additional compensation (Sec. 2002) (funded by Fed. Gen. Revenues under ARRA)	\$25.00 a week per claimant \$38.58 million (estimated)	Additional \$25.00 a week compensation. Now have about 32,000 claimants (23,000 regular and 9,000 EUC) = \$25 X 32,000 or \$800,000+ a week *EUC ends 6/10 *FAC ends 7/10

Subtotal w/FAC (Federal Additional Compensation)

ARRA UI Funding:

\$71.2 million



UNEMPLOYMENT INSURANCE

Type of Funding	Hawaii's Share	Provisions
5. Extension of Extended Unemployment Compensation (EUC) (Sec. 2001) (Funded by Federal General Revenues; Extended by ARRA)	\$134 million (estimated)	Extends the EUC payments from 4/1/09 to 6/05/10 (\$9.6 million per month X 14 months) Tier II EUC effective when UI rate became an average of 6.0+ for 3 months Regular: 26 weeks State Funded EUC: <u>20 weeks</u> (1 st Tier) Federal Funded Total: 46 weeks benefit EUC: <u>13 weeks</u> (2 nd Tier) Federal Funded 59 weeks total

TOTAL UI BENEFITS TO JULY 2010: \$205.2 million



WORKFORCE DEVELOPMENT

Type of Funding	Hawaii's Share	Provisions
1. Training and Employment Services Funds (TES)—WIA formula funds	Adult: \$1,234,406 Youth: \$2,918,025 Dislocated Worker: \$2,161,193 Total: \$6,313,624	For employment and training services to adults, dislocated workers, and youth. Youth program includes funds for summer jobs. Federal guidelines were issued in TEGL 14-08 on 3/18/09. Minimum 85% is mandated to be passed through to counties according to statutory formula: Oahu: \$3,118,218 / Hawaii: \$1,306,097 / Maui: \$577,601 / Kauai: \$319,667 Counties develop programs & activities
2. WIA National Emergency Grants (NEG)	Nationally available- -\$200 million -Must apply for grant when appropriate	USDOL awards funds to states to respond to plant closings, mass layoffs, and other worker dislocations where WIA formula funds are insufficient. DLIR has current NEG's for former Aloha/ATA employees & Molokai Ranch.



WORKFORCE DEVELOPMENT

Type of Funding	Hawaii's Share	Provisions
3. Youth Build	Nationally, \$50 million is available through competitive process via RFP. -City & County awarded \$1.2 million	A grant program for expanded services for at-risk youth, who gain education and occupational credentials while constructing or rehabilitating affordable housing.
4. Wagner-Peyser	\$1,426,246 ((\$891,404 for reemployment services) ((\$534,842 for other Wagner-Peyser services)	Federal guidelines were issued in TEGL 14-08 for use of funds. More guidelines on reporting and other issues are expected in future. Funds are provided for state employment services to help unemployment insurance claimants and other jobseekers get jobs through provision of labor market information, assessments, job matching, and related services.



WORKFORCE DEVELOPMENT

Type of Funding	Hawaii's Share	Provisions
5. Grants for High Growth and Emerging Industry Sectors	Nationally, \$750 million will be available, including \$500 million for "Green Jobs" training Must apply for grant.	Entire amount is for competitive job training grants for "high-growth and emerging industry sectors". Included is \$500 million for projects that prepare workers for careers in energy efficiency and renewal. (These funds are envisioned to fund the "Green Jobs Act of 2007".) Of the remaining \$250 million, priority will be given to projects preparing workers for careers in health care sector and other high growth / emerging industries. Conference report notes that training for wireless & broadband deployment is an eligible activity for high growth & emerging industry sectors.
6. Trade Adjustment Act (TAA)	Undetermined amount at this time Employers, unions, workers and State must apply.	Amends TAA statute to include firms providing "services" that are adversely affected by foreign trade and results in layoffs whose affected workers can get TAA benefits such as retraining. Until this amendment, only firms producing or distributing "goods" which were adversely affected by foreign trade could qualify for TAA certification.



WORKFORCE DEVELOPMENT

Type of Funding	Hawaii's Share	Provisions
7. Senior Community Services Employment Program (SCSEP)	\$507,317 (requires \$56,369 in-kind or other matching); requires no additional State funds.	<p>Provide additional community service jobs to low-income older Americans age 55 and over. DLIR's request for exemption from procurement requirements of Chapter 103F was approved by SPO. As required, ARRA allocations to county areas are based on same formula as federal allotments to states:</p> <p>Oahu: \$324,053 Hawaii: \$76,844 Kauai: \$25,370 Maui: \$50,611 State-level oversight and reporting: \$30,439.</p>

Total Direct Formula Funding: \$8.2 million

Nationwide Grants Total to Apply For: \$1 billion



OFFICE OF COMMUNITY SERVICES

Type of Funding	Hawaii's Share	Provisions
1. Weatherization Assistance Program (WAP)	\$4.0 million	<p>WAP enables low-income households to reduce energy costs by making their homes more energy efficient.</p> <p>Installation of energy saving devices and energy conservation education.</p> <p>Low-income families that are at or below 200% Federal Poverty Guidelines (FPGL) for Hawaii</p> <p>If serving multi-family housing units, 66% of families must meet 200% FPGL for Hawaii to be eligible</p> <p>Increased limit of \$6,500/unit. Contract entered into with MEO and HCAP.</p>
2. The Emergency Food Assistance Program (TEFAP)	\$305,717 (monies obligated as of 4/01/09)	<p>TEFAP helps supplement the diets of low-income Americans, including elderly persons, by providing this target clientele with emergency food and nutrition assistance at no cost.</p> <p>6 containers of food ordered, 2 have arrived. 1 container of mixed fruit and 1 container of canned pork. Container of whole chickens coming end of July, container of peanut butter in August, and container of cheese in January 2010 to be distributed to Foodbanks and Community Organizations.</p>



OFFICE OF COMMUNITY SERVICES

Type of Funding	Hawaii's Share	Provisions
3. Community Services Block Grant (CSBG)	\$5.0 million	<p>Provides federal funds to states, territories and Indian tribes for distribution to eligible entities called Community Action Agencies (CAAs) in support of a variety of anti-poverty activities. Funds MUST go to the four CAAs - (1) Honolulu Community Action Program, (2) Maui Economic Opportunity, Inc., (3) Kauai Opportunity, Inc., and (4) Hawaii County Economic Opportunity Council--Pending review of programs.</p> <p>CAAs receiving funds under CSBG program are required to provide services and activities addressing employment, better use of available income, housing, nutrition, and emergency services.</p> <p>99% of the \$5.0 million MUST go to the CAAs. States are allowed 1% for the "benefits enrollment coordination activities relating to the identification and enrollment of eligible individuals and families in Federal, State and local benefit programs. All unused funds of the 1% allotment to the State shall be distributed to eligible entities as defined in section 673 (1) of such Act.</p> <p>Income eligibility increased from 125% of FPGL to 200% of FPGL for Hawaii through September 30, 2010.</p>

Total: \$10.2 million



Status of the Unemployment Trust Fund



Current Status of the Fund

- The fund balance at the end of 2008 was \$430 million. There was an average of \$17.7 million per month in benefit payouts for 2008;
- The balance of the UI Trust Fund at the end of August 2009 was \$243,800,000. There was an average of \$31.9 million per month in benefit payout from January to August of 2009.
- Current Department projections have the Trust Fund balance at the end of December 2009 at \$118,500,000.



Current Status of the Fund Cont.

	TUR (unadjusted)	IUR	13-wk Avg Claims	<i>Hawaii Unemployment Compensation Fund</i>				Avg Tax Rate	Taxable Wage Base	Avg Taxes @TWB
				Taxes	Interest	OUTGO	BALANCE			
2008										
Jan	2.9%	1.27%	7,520	5,884,573	6,782,703	12,846,083				
Feb	2.8%	1.32%	7,852	11,433,430	8,383	11,506,075				
Mar	2.9%	1.33%	7,898	13,381	15,223	13,015,492				
Apr	3.1%	1.41%	8,350	8,290,647	6,802,916	13,907,226				
May	3.4%	1.54%	9,149	16,067,654	-4,867	15,361,780				
Jun	4.4%	1.69%	10,018	96,584	6,501,325	18,249,665				
Jul	4.3%	1.81%	10,777	4,684,177	-5,128	18,231,203				
Aug	4.3%	1.95%	11,615	6,565,963	9,051	17,493,699				
Sep	4.6%	2.04%	12,109	-13,354	6,022,281	21,415,808				
Oct	4.4%	2.17%	12,906	2,718,646	0	21,017,006				
Nov	5.0%	2.29%	13,658	3,589,300	7,808	20,552,352				
Dec	5.1%	2.50%	14,860	66,972	5,369,430	28,736,028	Schedule A			
CY 2008	3.9%	1.78%	11,611	59,397,972	31,509,125	212,332,417	0.7%	\$13,000	\$90	
2009										
Jan	6.1%	2.77%	16,441	1,904,055	-2,721	27,034,275				
Feb	6.4%	2.98%	17,736	3,365,512	-3,493	28,094,774				
Mar	7.0%	3.16%	18,782	-278,979	4,538,880	35,118,096				
Apr	6.9%	3.35%	19,820	8,931,143	-6,386	32,124,535				
May	7.2%	3.48%	20,619	12,886,974	-3,226	31,740,303				
Jun	8.0%	3.56%	21,054	33,266	3,494,313	36,186,672				
Jul	7.2%	3.62%	21,245	4,229,983	-8,446	31,929,595				
Aug		3.58%	21,027	4,940,468	1,359	32,829,923	Schedule A			
Jan-Aug 2009				36,012,421	8,010,278	255,058,172	0.7%	\$13,000	\$90	



CURRENT STATUS OF THE FUND CONT. LEGEND

*Title IX (Reed Act) distribution, Feb 2009:	\$2,180,480
*Title IX (Reed Act) withdrawal, April 2009:	\$6,850,055
*ARRA UI Modernization received, June 2009:	\$10,175,575
*Title IX (Reed Act) withdrawal, June 2009:	\$1,040,607
*Title IX (Reed Act) withdrawal, July 2009:	\$250,995
*Title IX (Reed Act) withdrawal, August 2009:	\$450,096
*ARRA UI Modernization received, August 2009:	\$20,351,150

TUR = Total Unemployment Rate, not seasonally adjusted (2008 rates revised March 2009)

IUR = Insured Unemployment Rate; week including the 12th of the month

13-Wk Avg Claims: 13 week moving average claims for State Unemployment programs, used for IUR, excludes federal and extended benefits

Taxes = UI taxes collected, adjusted for refunds and transfers to P&I and E&T funds, and Reed Act distributions

Outgo = Benefits paid from the contributing employer trust fund, adjusted for claimant refunds, cancelled warrants, and interstate combined wage claim reimbursements.

Avg Taxes @TWB = Taxes on employee with annual wages at or above the taxable wage base at average tax rate; actual tax rates range from zero to 5.4%.



Trust Fund Status in other States

- The Department sent out requests in July 2009 for information regarding the status of UI trust funds in the other 49 states.
- Of the 20 states that replied, 14 were insolvent and 4 were going to be insolvent by the end of 2009.



TRUST FUND AND LEGISLATION SURVEY BY UI

7/20/09

STATE	TRUST FUND STATUS	PROVISIONS IN STATE LAW	PENDING/CURRENT LEGISLATIVE ACTIONS	FUTURE ACTIONS
AL		Taxable wage base \$8,000.		
AK		Taxable wage base \$32,700.		
AZ		Taxable wage base \$7,000.		
AR	Insolvent – federal loan	Taxable wage base \$10,000.		
CA	Insolvent – federal loan	Taxable wage base \$7,000.		
CO		Taxable wage base \$10,000.		
CT		Taxable wage base \$15,000.		
DE		Taxable wage base \$10,500.		
DC		Taxable wage base \$9,000.		
FL	Insolvent 8/09?	<u>Automatic provisions to increase tax rates but trust fund level was adjusted downward in 2002.</u> Taxable wage base \$7,000; \$8,500 in 2010 – 2014.		
GA		Taxable wage base \$8,500.		
HI		Taxable wage base \$13,000.		
ID	Insolvent – federal loan	Employer tax rate increases 70% and maximum weekly benefit amount decreases 3% in 2009. Taxable wage base \$33,200.		
IL		Taxable wage base \$12,300.		
IN	Insolvent – federal loan	Taxable wage base \$7,000.		
IA		Taxable wage base \$23,700.		
KS		Taxable wage base \$8,000.		
KY	Insolvent – federal loan	Taxable wage base \$8,000.		Created UI Task Force in 2009.
LA		Taxable wage base \$7,000.		
ME		Taxable wage base \$12,000.		



STATE	TRUST FUND STATUS	PROVISIONS IN STATE LAW	PENDING/CURRENT LEGISLATIVE ACTIONS	FUTURE ACTIONS
MD		Taxable wage base \$8,500.		
MA		Taxable wage base \$14,000.		
MI	Insolvent – federal loan	Solvency tax applicable to negative balance employers during period of federal loan – deferred due to ARRA. Employers with positive reserve balance as of a certain date receive 50% SUTA credit of the increased expense due to FUTA credit reduction of .3% beginning 2010. Taxable wage base \$9,000.		Tax policy work group. Education efforts since 9/08. Likely recommend TWB increase.
MN		Taxable wage base \$26,000.		
MS		Taxable wage base \$7,000.		
MO	Insolvent 2/09 – federal loan	No automatic provisions for fund or automatic rate increase. Tax rates increased 30% when average balance in fund is less than \$350m. Taxable wage base is \$12,500.		Unemployment Council formed. No plans to raise tax rates in 2010.
MT	Solvent	10 rate schedules, automatic rate increases, and taxable wage base changes according to trust fund level. Taxable wage base \$25,100.		
NE		Taxable wage base \$9,000.		
NV		Taxable wage base \$26,600.		
NH		Taxable wage base \$8,000.		
NJ	Insolvent – federal loan	Transferred state money to trust fund to prevent tax increase. Taxable wage base \$28,900.		
NM		Taxable wage base \$20,900.		
NY	Insolvent – federal loan	Taxable wage base \$8,500.		



STATE	TRUST FUND STATUS	PROVISIONS IN STATE LAW	PENDING/CURRENT LEGISLATIVE ACTIONS	FUTURE ACTIONS
NC	Insolvent – federal loan	Taxable wage base \$19,300.		
ND		Taxable wage base \$23,700.		
OH	Insolvent – federal loan	Taxable wage base \$9,000.		
OK		Taxable wage base \$14,200.		
OR		Taxable wage base \$31,300.		
PA	Insolvent – federal loan	Automatic solvency taxes when trust fund reaches certain levels but capped at 1988 levels. Taxable wage base \$8,000.		No plans to raise TWB.
PR		Taxable wage base \$7,000.		
RI	Insolvent – federal loan	When trust fund level is below 0 at the end of the second month of a quarter, automatic surtax of .3% added to employer’s tax rate. Taxable wage base \$18,000.	Waive the surtax while tax waiver on interest due to federal loan in effect.	Round table meeting w/employers, labor, government to be scheduled.
SC	Insolvent – federal loan	Taxable wage base \$7,000.	Increase TWB from \$7,000 to \$12,000 and modify tax rate schedule.	
SD		Taxable wage base \$9,500.		
TN		Taxable wage base \$7,000.		
TX	Insolvent 7/09	Tax rates adjusted based on trust fund balance as of 10/1. If balance is below 1% of taxable wages then employer’s prior tax rate is adjusted up by a “deficit ratio”. Taxable wage base \$9,000.		No plans to raise TWB.
UT		Taxable wage base \$27,800.		
VT	Insolvent 12/09?	Taxable wage base \$8,000.	Will increase TWB to \$10,000.	
VA		Taxable wage base \$8,000.		



STATE	TRUST FUND STATUS	PROVISIONS IN STATE LAW	PENDING/CURRENT LEGISLATIVE ACTIONS	FUTURE ACTIONS
VI		Taxable wage base \$22,100.		
WA		Automatic adjustments to employer rates depending on balance in trust fund. Taxable wage base \$35,700.	Employers charged based on 2 highest <u>quarter</u> of wages. Reduced rates in schedule & reduced triggers for the social cost factor.	
WI	Insolvent – federal loan	Higher tax schedules if reserve fund balance is reduced. Current state law limits amount of tax increase for employer. Taxable wage base \$12,000; \$13,000 in 2011; \$14,000 in 2013.		Increase taxes, decrease benefits.
WV	Solvent	Recd one-time transfer from worker's comp of \$40m. Taxable wage base \$12,000 but decreases to \$9,000 when trust fund balance exceeds \$220m.		
WY		Taxable wage base \$21,500.		

DLIR Trust Fund Projections



	TUR (unadjusted)	IUR	13-wk Avg Claims	Hawaii Unemployment Compensation Fund			Avg Tax Rate	Taxable Wage Base	Avg Taxes @TWB	
				INCOME		OUTGO				BALANCE
				Taxes	Interest					
<i>Projected from 3rd quarter 2009</i>										
2009										
1st Qtr		3.25%	19,313	4,990,588	4,532,665	90,247,145				
2nd Qtr		3.56%	21,088	21,851,384	3,484,701	100,051,509				
3rd Qtr		3.60%	21,100	9,200,000	2,200,000	98,600,000				
4th Qtr		3.70%	21,400	5,900,000	1,300,000	100,900,000	Schedule A			
CY 2009	7.4%	3.54%	20,800	41,941,972	11,517,366	389,798,654	0.7%	\$13,000	\$90	
2010										
1st Qtr		3.70%	21,400	4,600,000	300,000	100,400,000				
2nd Qtr		3.75%	21,700	107,700,000	300,000	102,400,000				
3rd Qtr		3.80%	22,000	92,700,000	200,000	104,500,000				
4th Qtr		3.70%	21,500	70,200,000	0	102,100,000	Schedule F			
CY 2010	8.1%	3.74%	21,600	275,200,000	800,000	409,400,000	2.75%	\$37,800	\$1,040	
2011										
1st Qtr		3.50%	20,300	49,600,000	0	96,100,000				
2nd Qtr		3.50%	20,300	158,800,000	0	95,800,000				
3rd Qtr		3.50%	20,300	137,300,000	600,000	96,400,000				
4th Qtr		3.50%	20,300	104,000,000	1,100,000	96,600,000	Schedule H			
CY 2011	7.5%	3.50%	20,300	449,700,000	1,700,000	384,900,000	3.90%	\$37,900	\$1,480	

*** Based on the levels of unemployment projected in June 2009 by UHERO, the fund is projected to go into the negative in December 2010. Taxes will automatically increase in 2010 and 2011 under HRS § 383 resulting in a positive balance by the end of 2011.**



Free UI Federal Loan Provisions

- Section 2004 of Public Law 111-5 waived payment of interest on loans made by states to continue payment of unemployment insurance benefits. The amendments provided that any interest due on loans during February 17, 2009 to December 31, 2010 is waived. Further, no interest accrues on any advances made during this period.
- No loans are needed for 2009 and first 3 quarters of 2010.



Impact of the Proposed Furlough/Layoffs on the UI Trust Fund

- No direct impact on the UI Trust Fund as no unemployment payouts would occur under HRS § 383. (25 hours worked / 15 hours max. furlough per week)
- Fund is not depleted by State Worker UI benefits paid since under HRS § 383-62, the State is a reimbursable employer – the State pays dollar for dollar UI benefits to State workers.
- Layoffs would also not deplete fund balance. (Layoff savings would be initially diminished by benefit payouts estimated to be a maximum of 62% for the initial 26 weeks.)



Average UI Employee Taxes

(UI Taxes on an employee with annual wages at or above taxable wage base at average tax rate)

YEAR	Tax Wage Base (TWB)	X	TAX SCHEDULE	=	AVG. TAXES AT TWB
2007	\$35,300	X	Schedule B 0.8%	=	\$280
2008 (Act 110)	\$13,000	X	Schedule A 0.7%	=	\$90
2009 (Based on fund balance at end of 2008)	\$13,000	X	Schedule A 0.7%	=	\$90
Projection 2010	\$37,800	X	Schedule F 2.75%	=	\$1,040
Projection 2011	\$37,900	X	Schedule H 3.9%	=	\$1,480



UI Taxes – 1970 - 1989

CY	Tax Schedule ¹	Minimum Tax Rate	Maximum Tax Rate	New Employer Tax Rate	Average Tax Rate ¹	Taxable Wage Base ²	Average taxes at Taxable Wage Base ³	New Employer taxes at Taxable Wage Base ⁴	Minimum taxes at Taxable Wage Base ⁵	Maximum taxes at Taxable Wage Base ⁶
1970	II	0.4%	3.0%	3.0%	1.2%	\$5,500	\$70	\$165	\$20	\$170
1971	II	0.4%	3.0%	3.0%	1.4%	\$6,000	\$80	\$180	\$20	\$180
1972	I	0.8%	3.0%	3.0%	1.9%	\$6,300	\$120	\$189	\$50	\$190
1973	I	0.8%	3.0%	3.0%	1.8%	\$6,500	\$120	\$195	\$50	\$200
1974	I	0.8%/1.3%	3.0%	3.0%	1.9%	\$6,800	\$130	\$204	\$50	\$200
1975	I	1.3%/3.0%	3.0%	3.0%	2.6%	\$7,300	\$190	\$219	\$90	\$220
1976	-	3.0%	3.0%	3.0%	2.9%	\$7,800	\$230	\$234	\$230	\$230
1977	-	3.5%	3.5%	3.5%	3.5%	\$9,300	\$330	\$326	\$330	\$330
1978	-	3.5%	3.5%	3.5%	3.5%	\$9,800	\$340	\$343	\$340	\$340
1979	1.6%	1.8%	4.5%	4.5%	2.8%	\$10,400	\$290	\$468	\$190	\$470
1980	0.8%	1.0%	4.5%	4.5%	2.1%	\$11,200	\$240	\$504	\$110	\$500
1981	0.4%	0.6%	4.5%	4.5%	1.8%	\$12,200	\$220	\$549	\$70	\$550
1982	0.4%	0.6%	4.5%	4.5%	1.8%	\$13,100	\$240	\$590	\$80	\$590
1983	0.8%	1.0%	4.5%	4.5%	2.3%	\$13,800	\$320	\$621	\$140	\$620
1984	0.4%	0.6%	4.5%	4.5%	1.9%	\$14,600	\$280	\$657	\$90	\$660
1985	0.0%	0.2%	5.4%	3.6%	1.6%	\$15,100	\$240	\$544	\$30	\$820
1986	0.0%	0.2%	5.4%	3.6%	1.7%	\$15,600	\$270	\$562	\$30	\$840
1987	0.0%	0.2%	5.4%	3.6%	1.7%	\$16,500	\$280	\$594	\$30	\$890
1988	-0.5%	0.0%	5.4%	3.1%	1.3%	\$8,700	\$110	\$270	\$0	\$470
1989	-0.5%	0.0%	5.4%	3.1%	1.3%	\$18,600	\$240	\$577	\$0	\$1,000



UI Taxes – 1990 - 2008

1990	-0.5%	0.0%	5.4%	3.1%	1.3%	\$19,900	\$260	\$617	\$0	\$1,070
1991	-0.5%	0.0%	5.4%	3.1%	1.3%	\$7,000	\$90	\$217	\$0	\$380
1992	A	0.0%	5.4%	1.7%	0.6%	\$22,700	\$140	\$386	\$0	\$1,230
1993	B	0.0%	5.4%	1.9%	1.0%	\$23,900	\$240	\$454	\$0	\$1,290
1994	B	0.0%	5.4%	1.9%	1.1%	\$25,000	\$280	\$475	\$0	\$1,350
1995	D	0.2%	5.4%	3.0%	2.2%	\$25,500	\$560	\$765	\$50	\$1,380
1996	D	0.2%	5.4%	3.0%	2.1%	\$25,800	\$540	\$774	\$50	\$1,390
1997	D	0.2%	5.4%	3.0%	1.9%	\$26,000	\$490	\$780	\$50	\$1,400
1998	D	0.2%	5.4%	3.0%	1.8%	\$26,400	\$480	\$792	\$50	\$1,430
1999	D	0.2%	5.4%	3.0%	1.7%	\$27,000	\$460	\$810		\$1,460
2000	D	0.2%	5.4%	3.0%	1.7%	\$27,500	\$470	\$825	\$60	\$1,490
2001	C	0.0%	5.4%	2.4%	1.1%	\$28,400	\$310	\$682	\$0	\$1,530
2002	C	0.0%	5.4%	2.4%	1.2%	\$29,300	\$350	\$703	\$0	\$1,580
2003	D	0.2%	5.4%	3.0%	1.7%	\$30,200	\$510	\$906	\$60	\$1,630
2004	C	0.0%	5.4%	2.4%	1.2%	\$31,000	\$370	\$744	\$0	\$1,670
2005	C	0.0%	5.4%	2.4%	1.3%	\$32,300	\$420	\$775	\$0	\$1,740
2006	C	0.0%	5.4%	2.4%	1.3%	\$34,000	\$440	\$816	\$0	\$1,840
2007	B	0.0%	5.4%	1.9%	0.8%	\$35,300	\$280	\$671	\$0	\$1,910
2008	A	0.0%	5.4%	1.7%	0.7%	\$13,000	\$90	\$221	\$0	\$700

Shaded areas indicate temporary changes due to special legislation.

¹ From 1970 to 1978, one of three tax schedules triggered on depending on level of the fund; effective July 1, 1974 through March 31, 1975 all employers' tax rates were increased by 0.5%, up to a maximum of 3.0%; from April 1975 through the end of 1976, all employers paid 3.0% tax rate; for 1977 and 1978 all employers paid 3.5% tax rate; from 1979 to 1991, depending on ratio of current to adequate reserve, a fund solvency rate ranging from -0.5% to +2.4% was triggered on each year and added to each employer's basic contribution rate; from 1992 to the present, one of eight tax schedules, A through H triggers on depending on ratio of current to adequate reserve; for 2002, Schedule C remained in effect due to special legislation as a result of terrorist attacks.

² CY 1988, taxable wage base cut by special legislation due to high fund balance; CY 1991, wage base set at \$7,000 by special legislation due to Persian Gulf War; CY 2008-2010, taxable wage base set at \$13,000 by special legislation; 2010 base reverts to regular formula (100% of average annual wage) as fund drops below Adequate Reserve level.

³ Taxable wage base times average tax rate

⁴ Taxable wage base times new employer tax rate

⁵ Taxable wage base times minimum tax rate

⁶ Taxable wage base times maximum tax rate



UI Taxes – Projected

Projected Unemployment Insurance Taxes - 2009 to 2011

CY	Tax Schedule	Minimum Tax Rate	Maximum Tax Rate	New Employer Tax Rate	Average Tax Rate	Taxable Wage Base	Average taxes at Taxable Wage Base ¹	New Employer taxes at Taxable Wage Base ²	Minimum taxes at Taxable Wage Base ³	Maximum taxes at Taxable Wage Base ⁴
2009	A	0.0%	5.4%	1.7%	0.7%	\$13,000	\$90	\$221	\$0	\$700
2010	F	1.2%	5.4%	4.0%	2.75%	\$37,800	\$1,040	\$1,512	\$450	\$2,040
	or G	1.8%	5.4%	4.6%	3.30%	\$37,800	\$1,250	\$1,739	\$680	\$2,040
2011	H	2.4%	5.4%	5.2%	3.90%	\$37,900	\$1,480	\$1,971	\$910	\$2,050

¹Taxable wage base times average tax rate

²Taxable wage base times new employer tax rate

³Taxable wage base times minimum tax rate

⁴Taxable wage base times maximum tax rate



Number of Employers by Industry Sectors and 2009 Tax Rates under Schedule A with Comparison to Schedule F Tax Rates

Col 1: Tax rates assigned to employers for calendar year 2009 under Schedule A

Col 2: Tax rates under Schedule F, projected to be in effect for calendar year 2010. For 2010, employers may move into different groups based on their 2009 tax and benefit experience.

This table shows that employers are distributed among a wide range of tax rates within industry groups.

For example, although employers in the Construction industry (Col 5) tend to experience high unemployment, 349 employers are assigned the zero rate for calendar year 2009.

New employers are assigned the 1.7% tax rate under Schedule A. This is the reason for the large number of employers in Col 21, Unknown industry in the 1.7% group. New employers do not qualify for experience rating until they have one year of employment and their industry assignment may still be pending.

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	Col 15	Col 16	Col 17	Col 18	Col 19	Col 20	Col 21	Col 22	Col 23
2009 Tax Rates Schedule A	Schedule F Tax Rates	Natural Resources & Mining	Utilities	Construction	Manufacturing	Wholesale Trade	Retail Trade	Transportation & Warehousing	Information	Finance & Insurance	Real Estate, Rental & Leasing	Professional & Technical Services	Management of Companies & Enterprises	Administrative & Waste Services	Educational Services	Health Care & Social Assistance	Arts, Entertainment & Recreation	Accommodation & Food Service	Other Services, except Public Administration	Unknown Industry	All Employers	Percent distribution
0.0%	1.2-2.0%	132	13	349	363	778	1125	220	130	383	686	1306	55	498	146	1338	104	724	1353	9	9712	31%
0.1%	2.2%	20	2	103	62	128	211	34	26	73	93	200	18	105	35	170	50	196	212	5	1743	6%
0.3%	2.4%	16	2	117	46	117	231	37	20	61	98	170	9	95	26	178	31	196	169	2	1621	5%
0.5%	2.6%	27	1	102	56	89	170	41	20	52	77	194	12	106	38	149	34	198	167	4	1537	5%
0.7%	2.8%	16	3	120	43	108	148	50	21	57	85	190	10	110	31	112	22	153	159	1	1439	5%
0.9%	3.0%	15	1	142	50	104	162	42	23	57	85	206	16	105	28	110	25	131	155	9	1466	5%
1.1%	3.2%	37	8	300	89	180	361	100	44	128	170	455	29	275	63	243	61	335	327	85	3290	11%
1.3%	3.6%	22	2	196	41	59	140	58	21	36	58	127	4	138	23	106	24	156	120	8	1339	4%
1.7%	4.0%	38	4	468	84	214	350	104	102	154	201	576	19	362	83	263	79	397	331	1109	4938	16%
2.1%	4.4%	12		222	24	26	65	19	17	17	23	55	3	60	9	27	4	51	57	1	692	2%
2.5%	5.0%	9	1	143	16	13	21	15	8	6	20	28	3	26	6	10	9	17	55		406	1%
2.9%	5.4%	18	1	397	20	30	42	23	25	16	28	79	1	53	8	19	9	23	102	4	898	3%
3.4%	5.4%	11		137	4	2	6	4		2	7	10	1	6	3	4	2		7	2	208	1%
4.1%	5.4%	8		51	2	2		1	1	1	1	1	1	2		1	4	2	1		79	0%
4.7%	5.4%	2		23	3	1	1		1	1		3							1		36	0%
5.4%	5.4%	42	2	270	61	66	136	74	40	54	64	152	5	141	19	80	29	158	135	340	1868	6%
Total		425	40	3140	964	1917	3169	822	499	1098	1696	3752	186	2082	518	2810	487	2737	3351	1579	31272	100%



Employment (Number of Workers in calendar year 2008) by Industry Sectors and 2009 Tax Rates under Schedule A with Comparison to Schedule F Tax Rates

Col 1: Tax rates assigned to employers for calendar year 2009 under Schedule A

Col 2: Tax rates under Schedule F, projected to be in effect for calendar year 2010. For 2010, employers may move into different groups based on their 2009 tax and benefit experience.

This table shows the number of workers the employers in Table 1 employed in calendar year 2008. Employment is also distributed among a wide range of tax rates within industry groups. Using the same group in the Table 1 example, Construction industry, (Col 5), the 349 employers assigned the zero rate for calendar year 2009 had 1,656 workers in 2008.

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	Col 15	Col 16	Col 17	Col 18	Col 19	Col 20	Col 21	Col 22	Col 23
2009 Tax Rates Schedule A	Schedule F Tax Rates	Natural Resources & Mining	Utilities	Construction	Manufacturing	Wholesale Trade	Retail Trade	Transportation & Warehousing	Information	Finance & Insurance	Real Estate, Rental & Leasing	Professional & Technical Services	Management of Companies & Enterprises	Administrative & Waste Services	Educational Services	Health Care & Social Assistance	Arts, Entertainment & Recreation	Accommodation & Food Service	Other Services, except Public Administration	Unknown Industry	All Employers	Percent distribution
0.0%	1.2-2.0%	1327	2304	1656	6504	7605	31921	11641	5336	12051	3901	8164	290	6787	3037	15178	2815	30455	8859	42	159873	35%
0.1%	2.2%	318	414	959	1408	2775	7453	1063	1438	1521	1098	2035	158	3398	587	2855	1699	9624	1958	3	40764	9%
0.3%	2.4%	156	161	1221	963	2275	10686	927	291	2141	1490	1535	46	2247	393	2654	676	10963	2385		41210	9%
0.5%	2.6%	651	16	807	727	854	4673	1340	340	469	850	2088	91	2782	770	2514	998	10303	1851	2	32126	7%
0.7%	2.8%	185	61	1147	717	1077	3232	922	296	704	918	1481	13	4161	316	2806	419	4851	1065		24371	5%
0.9%	3.0%	981	9	1216	644	1280	2265	1251	693	350	1382	1230	82	3509	312	3774	726	5494	968	4	26170	6%
1.1%	3.2%	330	71	1695	738	961	3195	968	547	465	765	1998	178	6252	448	2595	389	6025	1626	83	29329	6%
1.3%	3.6%	983	26	2898	911	491	2232	2610	446	417	720	1212	45	4036	343	3481	418	6999	1251	9	29528	6%
1.7%	4.0%	949	4	3658	583	557	1996	1435	747	515	704	1483	24	11261	362	1736	585	3716	989	311	31615	7%
2.1%	4.4%	326		4196	375	247	523	1114	179	137	155	281	75	2948	29	132	84	1421	269		12491	3%
2.5%	5.0%	179	3	4077	309	32	61	268	25	9	82	149	6	246	52	26	52	890	163		6629	1%
2.9%	5.4%	274		8614	52	53	99	263	574	19	55	456	1	296	36	51	62	136	257	6	11304	2%
3.4%	5.4%	284		2006	32	1	35	2			10	18		17	6	5			3		2419	1%
4.1%	5.4%	36		417	1	2		1	67	2	2	1	12	11		2	131	3			688	0%
4.7%	5.4%	2		395	230	1	1		57			1									687	0%
5.4%	5.4%	55	2	500	150	120	250	1172	69	80	160	289	7	396	61	226	112	1948	219	83	5899	1%
Total		7036	3071	35462	14344	18331	68622	24977	11105	18880	12292	22421	1028	48347	6752	38035	9166	92828	21863	543	455103	100%



Estimated UI Taxes at Schedules A through H on CY 2010 and CY 2011

Note: Taxes are collected on a one quarter lag, so taxes shown below will be collected from April of the current year through March of the following year.

Tax Schedule	Estimated Average Tax Rate	Estimated taxes	
		CY 2010	CY 2011
A	0.71%	\$82,700,000	\$86,200,000
B	0.90%	\$104,800,000	\$109,300,000
C	1.35%	\$157,200,000	\$163,900,000
D	1.80%	\$209,700,000	\$218,500,000
E	2.20%	\$256,300,000	\$267,100,000
F	2.75%	\$320,300,000	\$333,900,000
G	3.30%	\$384,400,000	\$400,600,000
H	3.90%	\$454,300,000	\$473,500,000
Estimated taxable wages:		\$11,648,100,000	\$12,140,600,000



Number of UI Exhaustees

Summary: The number of claimants exhausting their 26 weeks of regular benefits has been increasing, reaching 2,498 in August 2009. Also, in August, 2,358 claimants exhausted their federal EUC (33 weeks of additional) benefits. EUC benefits were extended by 13 weeks effective May 2009.



Regular Program Claim Counts by Duration

(Claims for week containing the 12th of the month)

		Total	1-4 weeks	%	5-14 weeks	%	15 and over	%
2008	Jan	7,480	3,197	43%	2,766	37%	1,517	20%
	Feb	7,394	2,977	40%	2,791	38%	1,626	22%
	Mar	7,842	3,132	40%	3,037	39%	1,673	21%
	Apr	9,635	4,716	49%	3,346	35%	1,573	16%
	May	9,769	3,800	39%	4,096	42%	1,873	19%
	Jun	11,007	4,463	41%	4,482	41%	2,062	19%
	Jul	11,623	4,281	37%	4,611	40%	2,731	23%
	Aug	11,779	4,361	37%	4,485	38%	2,933	25%
	Sep	12,724	4,949	39%	4,571	36%	3,204	25%
	Oct	13,694	5,462	40%	5,214	38%	3,018	22%
	Nov	14,919	5,732	38%	5,855	39%	3,332	22%
	Dec	16,689	6,748	40%	6,393	38%	3,548	21%
2009	Jan	17,744	6,596	37%	6,975	39%	4,173	24%
	Feb	18,639	6,748	36%	7,225	39%	4,666	25%
	Mar	19,734	6,734	34%	7,777	39%	5,223	26%
	Apr	19,608	6,450	33%	7,739	39%	5,419	28%
	May	20,663	6,822	33%	7,673	37%	6,168	30%

Summary: The percentage of claimants who received 15 or more weeks of regular benefits has been increasing, however the bulk of claimants remain in the 5-14 weeks group.



Partial Claims Data

Approximately 15,000 claimants accounted for 24,536 partial claims with 4,228 different employers in benefit years beginning 2008.

Of those 24,536 claims:

33% were in Construction

26% were in Food Service and Accommodations

with the other 41% being evenly distributed among other sectors



REED ACT DATA

Reed Act Funds	\$30,000,000
2006 – 2008 Legislative Appropriations	-\$15,508,487
2009 Legislative Appropriations (SB1665)	<u>- \$2,400,000</u>
Un-appropriated Reed Act Funds	\$12,091,513
Unreleased Funds:	+ \$5,980,487
DLIR WDD	\$2,000,000
Maui County	\$1,508,487
SB 1665	\$2,400,000
	<hr/>
Reed Act Balance in UI Trust Fund	\$18,072,000



Summary of Negative Impact of Reed Act Distributions:

Based on the projections and computations, the ratio of end of November fund balance to Adequate Reserve is very close to the tipping/threshold point between Schedule G (0.39) and Schedule F (0.40) for CY 2010.

Although the figures are projected and approximate, if the fund balance is further depleted by as little as \$2.4 million, then the currently projected balance of \$152.2 million, may fall to \$149.8 million. This may trigger Schedule G.

Average taxes per employee may increase on a Statewide basis from \$1040 to \$1250 by distributing from the UI trust fund as little as \$2.4 million.



Negative Effect of Reed Act Distributions

Adequate Reserve Amount and Tax Schedule Computations

Current Projections	Actual	Projected 1 x HCR
	CY 2009	CY 2010
Adequate Reserve Amount:	256,821,022	381,000,000
End of (previous year) November fund balance:	454,058,555	152,200,000
Ratio of end of November fund balance to adequate reserve:	1.77	0.40
Tax Schedule:	Schedule A	Schedule F

Ratio	Schedule	Estimated Average Tax Rate
>1.69	A	0.70%
1.3-1.69	B	0.90%
1.0-1.29	C	1.35%
0.8-0.99	D	1.80%
0.6-0.79	E	2.20%
0.4-0.59	F	2.75%
0.2-0.39	G	3.30%
<0.2	H	3.90%

Calendar year 2010 tax schedule computations (based on end of Nov 2009 fund balance):

Adequate reserve fund amount (ARF) is estimated at \$381 million; based on 1x (12 months) multiplier.

Ratio of November fund balance to ARF is .40; **Tax schedule F in effect for calendar year 2010 with average tax rate is 2.75%.**

Effect of Reed Act Distribution from Fund

	CY 2010
Adequate Reserve Amount:	381,000,000
End of (previous year) November fund balance:	149,800,000
Ratio of end of November fund balance to adequate reserve:	0.393
Tax Schedule:	Schedule G

(minus \$2.4 M from fund balance to go to 0.39 ratio)

- **This applies to SB1665**



HISTORICAL OVERVIEW



- The Unemployment Insurance program is a federal-state partnership created by Social Security Act of 1935, based upon federal law but administered by state employees under state law.
- Hawaii provides generous benefits to its claimants and ranks #7 in the top tier.*
- *NASWA (National Association of State Workforce Agencies)



Federal Requirements

- Ensure conformity
- Determine administrative fund requirements and provide money to states for administrative costs
- Set policy, monitor state performance
- Provide assistance
- Hold and invest all money in the UI Trust Fund



Program Funding

- Funded entirely by employer taxes
 - Federal Unemployment Tax Act (FUTA) pays for:
 - administrative costs
 - federal share of extended benefits
 - federal supplemental & emergency programs
 - loans
- State Unemployment Tax Act (SUTA) HRS Ch. 383 pays for:
 - Unemployment Compensation benefits



PRE-ACT 110

Prior to 2008

- Adequate Reserve Fund (ARF) - 1.5
- Earnings Disregard - \$50
- Maximum Weekly Benefit Amount
70% of Average weekly wage
- Taxable Wage Base
100% of Average annual wage



ACT 110

For 2008, 2009, 2010

- Adequate Reserve Fund (ARF) - 1.0
- Earnings Disregard - \$150
- Maximum Weekly Benefit Amt 75% of average weekly wage
- Taxable Wage Base - \$13,000
- If Adequate Reserve Fund falls below 1.0
- Taxable wage base 100% of average annual wage (est. \$37,800 for 2010)



POST ACT 110

After 2010

- Adequate Reserve Fund (ARF) - 1.5
- Earnings Disregard - \$150
- Maximum Weekly Benefit Amt 70% of average weekly wage
- Taxable Wage Base 100% of average annual wage (est. \$37,900 for 2011)



Department of Labor and Industrial Relations' Presentation to the 2009 Legislature

Workforce Capacity: UI Division

*Meeting Current Needs
and Preparing for the Future*



UNEMPLOYMENT INSURANCE

Background of Increased Workload

- a. Prior to 2009, Hawaii enjoyed one of the lowest unemployment rates in the country. The average Insured Unemployment Rate (IUR) for 2007 and 2006 was 1.1%, in 2005 it was 1.2%. In 2008, unemployment crept higher and higher each month, starting from 1.27% in January and ending at 2.5% in December – a 100% increase in the regular state UI claims-load from 7,500 in January to nearly 15,000 at the end of 2008. Unfortunately, the trend continues in 2009, with IUR going up in July 2009 to 3.56% and the claim workload rising to **32,000**.
- b. In addition to the increase in regular claims, the Emergency Unemployment Compensation (EUC) extended benefits program beginning 7/08 retroactive to 5/06 and \$25 Federal Additional Compensation (FAC) beginning 2/22/09 also increased the workload.



Hiring Additional Staff

The Department saw a 30% increase in UI staff by adding 50 new UI members from November 2008 to July 2009.

27 of those 50 were hired Since our last info briefing in April, to address the increase in workload.



System Expansion

- a. Expanded main frame files to process 16,000 payments per batch from previous capacity of 8,000
- b. Replaced aging IVR equipment to minimize risk of the IVR system's failure. Also acquired back up servers and other equipment to minimize downtime in the event of hardware failure.
- c. The Dept. increased IVR lines by 48 for a total of 144 lines. This will increase capacity to handle nearly 2000 weeks claimed callers per hour.



Automated UI Claim Info

- a. Serves as an interface between UI and WDD HireNet Hawaii System to expedite UI registration requirements.
- b. Reduces the time for claimants in creating an on-line resume and will allows claimants the added convenience of not having to register with WDD in person.



Internet Claims Filing Phase I

- a. **Beginning 5/11/09, claimants are now able to file UI claims on the internet without having to wait to speak to a UI customer service representative.**
- b. **As of 7/15/09, 14% of all claimants are using the internet service. Since the start of the program, the % of claimants using the internet has gone up.**
- c. **The public will be provided a third option to file their UI claims – by telephone, in person or by internet. The wait time will be significantly reduced by increasing the available options for claims filing.**



Internet Claims Filing Phase II

- a. **Claims that could not be filed during the Phase I project will be targeted for Phase II, including reactivations, out-of-state, multiple state and partial claims. This should handle about 85% of claims including all initial claims, reactivations, and re-openings.**
- b. **Phase II will also allow claimants to file their claim certifications for benefit payments over the internet. Currently, claimants file their weekly/biweekly certifications by telephone.**
- d. **Phase II will create a secured special claimant account to allow individuals access to their payment information.**
- e. **A contractor has been selected by competitive bid to develop the Phase II system. The system will be developed in two phases with the first phase (reactivation and claim certification filing) targeted for completion in late 12/2009 or early 1/2010. The second phase will be completed by 9/2010.**



WORKFORCE DEVELOPMENT

1. Effect of increased lay offs

- a. UI Claimants are required to look for work and register in HireNet Hawaii. (About **44%** of **total registrations** are UI claimants.)
- b. **Not** all unemployed persons seeking work are UI claimants. Some have not filed for UI or have exhausted UI and continue to look for work.
- c. More *employed* persons look for work when businesses are unstable.
- d. **Increase of 84% or 36,194** registrations in June 2209, over December 2007.
- e. See Table, Registrations for Employment Assistance in December 2007, December 2008, and June 2009. (Data is from HireNet Hawaii.)



Registrations for Employment Assistance in
June 2007, June 2008, and June 2009

Registrations for Employment Assistance		4 Qtrs Ending June 2007	4 Qtrs Ending June 2008	4 Qtrs Ending June 2009	Difference Between 2008 and 2009		Difference Between 2007 and 2009	
Total Jobseekers		46,228	52,976	79,251	26,275	(+50%)	33,023	(+71%)
Unemployed		34,183	41,423	67,081	25,658	(+62%)	32,898	(+96%)
Employed		12,045	11,553	12,170	617	(+5%)	125	(+1%)
UI Claimants*		18,436	19,090	34,943	15,853	(+83%)	16,507	(+90%)
Veterans		4,034	4,679	6,028	1,349	(+29%)	1,994	(+49%)

* Self-reported UI claimant status.



ARRA Plans	
	No. to be Served
Reemployment & Wagner-Peyser	10,000
* WIA	2,000
- Includes 800 Youth	
* SCSEP	54
TOTAL	12,054



Capacity Building

- a. ARRA funds for Reemployment Services and Wagner-Peyser will enable 10,000 more UI claimants to be provided with assessments, job counseling, labor market information, and referrals to training.
- b. ARRA funds for WIA will enable about 2,000 more persons to be served, including about 800 youth in summer employment this summer.
- c. ARRA funds for Senior Community Services Employment Program will provide 54 more low-income senior citizens with subsidized employment.
- d. Federal funds for above programs were authorized to DLIR for expenditure; DLIR executed contracts with counties and SCSEP providers by 4/30/09/



DLIR Targeted Competitive Grants

Grant	Description	Total Nationwide Amount
State Energy Sector Partnership (SESP) and Training Grant	To train the next generation of energy workers in green or renewable energy.	\$190 million (State team working on grant application for 10/20/09)
Pathways Out of Poverty	To provide education and job placement services to individuals living in poverty	\$150 million
Energy Training Partnership Grant	To provide training to energy workers on renewable and “green” energy	\$100 million (Applied for \$5 million on 9/04/09)
Labor Market Information Improvement Grant	To improve labor market information research and dissemination	\$50 million (Applied for \$1.2 million on 8/11/09)
Healthcare and Emerging Industries Grant	To provide training and placement in the healthcare and emerging industries	\$220 million (State team working on grant application for 10/09)



**DEPARTMENT OF LABOR &
INDUSTRIAL RELATIONS**