

MINUTES OF THE UNEMPLOYMENT INSURANCE BOARD MEETING
DECEMBER 16, 2009
INDIANA GOVERNMENT CENTER SOUTH
10 N. SENATE AVENUE – ROOM 301A
INDIANAPOLIS, IN 46204

Members present were Dave Collins; Joe Evans; Randy Maxwell; Paula Presnoples (via phone), Sam Schlosser; Kent Tolliver and Kevin Tully. Also in attendance from the Indiana Department of Workforce Development were Jennifer Chappell, Director of Unemployment Insurance Tax Department; Randy Gillespie, Director of Budgets; Mary Johnson, Deputy Commissioner Unemployment; Michelle Marshel, Deputy Commissioner Communications; Scott Sanders, Chief Financial Officer; Dustin Stohler, General Counsel; and Karen Weber, Director of Human Resources.

Mr. Schlosser called the meeting to order at 10:00 am and recognized that there was a quorum present.

Mr. Schlosser welcomed guest Representative Dan Leonard, Indiana House Representative-District 50.

COMMISSIONER'S REPORT

Commissioner Voors began with stating Federal unemployment insurance extension; named EUC 3 and EUC 4 are now available for those who exhaust State EUC 2. There are 50,000 claimants available for EUC 3 but only 30,000 have filed. In March we peaked at 220,000 claims, we are back up to that number with this extension in effect. When it comes time for all extensions to cease, workers will not be able to move to the next level unless they have exhausted their current level prior to the extension terminating. All Federal extensions are currently set to expire December 26, 2009.

The Unemployment Insurance Modernization has been delayed due to the required changes in the new Federal programs.

OLD BUSINESS:

Mr. Schlosser asked if all Board members had reviewed the previous meetings minutes. A motion was made by Randy Maxwell to accept the November 18, 2009 minutes, which was seconded by Kent Tolliver and unanimously approved.

Mr. Sanders stated that the Annual Report should be sent out today electronically. He asked the members to review the document and to comment back. He asked they pay specific attention to the part of the document that explains what actions the board had taken which was taken from previous minutes.

At this time Randy Gillespie discussed the Vincennes Budget Submission. He referred to the handout titled VU-ABC Apprenticeship Program Budget Summary for Fiscal Year 2008-2009. This sheet shows a line item of the grant that the board provided for Vincennes University. The board agreed that they would like a more detailed handout of the money allocated to Vincennes, Ivy Tech, and the Indiana Plan.

Mr. Sanders directed attention to Jennifer Chappell who began with an overview of the Employer Issue that was tabled at the last meeting. BMV (Bluffton Motor Works) requested that their Interest and Penalty be waived and the agency opposed the waiver. After some discussion on this issue, Mr. Schlosser entertained a motion to deny the appeal for the waiver of penalty and interest. Dave Collins motioned for approval and Joe Evans seconded the motion, motion approved.

OPERATIONAL UPDATE:

Mary Johnson began with a UI Performance Metrics update. She directed everyone's attention to the handout of the bar graph of the unemployment claims by type. She stated that Indiana was one of the few states to get the EUC 3 and 4 started timely.

Mr. Schlosser questioned the downtime that occurred over the weekend. This was a scheduled IOT downtime and the claimants were notified on their homepage and a press release was sent out. The entire state government was down it was not just Department of Workforce Development.

Mr. Sanders moved on to the Trust Fund update. He directed everyone's attention to the next handout showing the board report for the month of November. The original forecast was for the Trust Fund to have borrowed \$1.7 Billion by the end of 2009 but Indiana will actually be at \$1.5 billion, due to more claims payments being funded by the Federal government. Mr. Sanders reminded the members there is no interest being paid until 2011 and at that time there will be a large balance to be repaid.

Mr. Sanders directed attention to the next handout showing how much other states are borrowing. Texas and Illinois will soon be borrowing more than Indiana. They are projected to borrow more than Indiana as we start to slide down the scale. The states that are not borrowing are mainly because low population and are located out west.

Mr. Sanders stated that the agency will be reviewing receivables and collections from over the past five years to begin writing off uncollectible amounts in anticipation of the upcoming launch of the Unemployment Insurance Modernization system.

Mr. Sanders directed attention to the last two handouts in the packet. There is a draft letter that will be sent out to all employers that will serve as an unofficial notice as to their state unemployment insurance tax rates for 2010. Mr. Sanders asked that the Board consider waiving Penalty and Interest charges to employers who pay by May 31, 2010, instead of April 30, 2010. Once employers receive the letter they can budget their unemployment taxes for 2010. Mr. Schlosser entertained a motion to approve the resolution to allow the waiver of the Penalty and Interest. Kent Tolliver motioned for approval and Dave Collins seconded the motion, motion approved.

NEW BUSINESS:

At this time, Mr. Schlosser opened the floor to new business and there was none.

PRIVILEGE OF THE FLOOR:

The next board meeting will be January 20, 2010.

ADJOURNMENT:

Mr. Schlosser adjourns the meeting at 10:50am. Meeting adjourned.