

**Meeting Minutes**  
**UNEMPLOYMENT INSURANCE ADVISORY COUNCIL**

Missouri River Plaza, Sharpe Conference Room 123 W. Missouri Ave., Pierre  
June 26, 2017 1:30 p.m. CDT

**Members Present:** Secretary Marcia Hultman, Chair, Carol Hinderaker, Tim Fitzgerald, Don Kattke, Shawn Lyons, Robert Anderson, Douglas Severson

**Members Absent:** David Owen

**Others Present:** Pauline Heier, Jason Simmons, Katie Sieverding, Lindsey Riter, Tom Hart, Amber Mulder, Dawn Dovre, Deb Mortenson, Mackenzie Decker, Michele Brich, Bob Mercer, Julie Albano

Secretary Hultman called the meeting to order, and roll call was taken by Julie Albano. A quorum was present.

Rob Anderson made a motion to approve the October 19, 2016 minutes. Shawn Lyons seconded the motion. Roll call vote was taken with 7 Yea (Hultman, Fitzgerald, Hinderaker, Kattke, Lyons, Anderson, Severson) 1 absent (David Owen) and 0 Nay. **MOTION PASSED.**

Pauline Heier informed the Council of South Dakota's receipt of a top performing award at the National Unemployment Insurance (UI) Appeals review. She also advised the maximum weekly benefit amount for initial claims will increase to \$390 effective July 2, 2017.

Pauline Heier reviewed the U.S. Department of Labor FY 2018 budget proposals with the Council. The proposal includes making the Reemployment and Eligibility Assessments (RESEA) program a permanent program operating in conjunction with the UI program, proposal of an integrity package to assist states in continuing to improve the prevention, detection and recovery of improper payments, requiring states to maintain an AHCM of 0.5 for two consecutive years or be subject to the same FUTA tax credit reductions that states below a zero fund balance currently face, and establishment of a federal and state paid parental leave benefit program within the UI program to begin in 2020.

Secretary Hultman and Pauline Heier provided a recap of the 2017 legislative session. Two bills impacted the UI program. HB 1049 revised one of the good cause provisions for voluntarily quitting employment. This bill added physician's assistants and certified nurse practitioners to the list of healthcare providers who can complete and sign a UI medical statement. HB1097 revised UI contribution rates to provide a tax break to employers while ensuring an adequate Trust Fund balance, and created an administrative fee to address administrative funding shortfalls. An update was also provided on the 2016 legislation which increased the penalty from \$5 to \$25 for late payments made by employers or late reports.

The Council received an update on the current state of the UI Trust Fund including financial projections for 2017 and 2018. Shawn Lyons requested a breakdown of the benefits payments by industry be provided at the next council meeting to assess the reason for the upward trend in benefits.

Don Kattke made a motion to adjourn the meeting. Rob Anderson seconded the motion. **MOTION PASSED.**

Meeting adjourned at 2:11 p.m.