

**South Dakota Department of Labor and Regulation
Reemployment Assistance Advisory Council**

2021 Annual Report

The Reemployment Assistance (RA) Advisory Council's primary responsibility is to aid the Department of Labor and Regulation (DLR) in reviewing the RA program's content, adequacy, and effectiveness and make recommendations for improvement.

The Council is composed of Governor-appointed members representing the interests of employers, employees, and the public. DLR Cabinet Secretary Marcia Hultman chairs the Council. Other members include Robert Anderson, Kari Karst, David Owen, Pamela Roberts, Mark Rogers, Dr. Nathan Sanderson, Dan Schmidt, and Douglas Severson.

This document serves as the annual report of meetings, discussions, and recommendations of the Council, pursuant to SDCL 61-2-7.1. The annual report is available to any interested parties at https://dlr.sd.gov/ra/advisory_council/default.aspx.

Council action began with a meeting on July 21, 2021.

- Secretary Hultman discussed the federal unemployment programs that ended on June 26, 2021: Federal Pandemic Unemployment Compensation (FPUC), Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment Compensation (PEUC).
- Secretary Hultman reviewed statistics of initial and continued weekly claims processed since mid-March 2020 and the benefit amounts paid from each program.
- Pauline Heier provided an update of the current state of the Unemployment Insurance Trust Fund, including financial projections for the remainder of 2021.
- Secretary Hultman discussed potential legislation including third-party cross-matching to combat fraud, indexing tied to economic conditions, and paperless appeal filing.
- Public comments were opened; none were received.

The second Council meeting was held on November 23, 2021.

- Pauline Heier provided an update of the current state of the Unemployment Insurance Trust Fund, including financial projections for 2022 and the remainder of 2021.
- Public comments were opened. Becky Rybak with Dynamic Engineering shared her concerns about non-charged benefit payments and the pro-rated pool account.

The Council had no recommendations for change to the Governor or Legislature at the final 2021 meeting.

Respectfully submitted on November 23, 2021, by the RA Advisory Council.

ATTACHMENT A: Trust Fund Projections | November 23, 2021, Council Meeting

RA Financials - Quarterly Summary

(in Millions)

| CY 2021 | Actual | Actual | Actual | Projected | Total |
|---------------------------|---------|---------|---------|-----------|---------|
| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | |
| Contributions/Interest In | \$4.8 | \$14.4 | \$9.7 | \$6.1 | \$35.0 |
| CARES Act Transfer In | \$43.0 | | | | \$43.0 |
| Benefits Paid Out | \$15.8 | \$5.6 | \$3.9 | \$4.1 | \$29.4 |
| Trust Fund | \$151.8 | \$161.6 | \$168.2 | \$168.4 | \$168.4 |

RA Financials - Quarterly Summary

(in Millions)

| CY 2022 | Projected | Projected | Projected | Projected | Total |
|---------------------------|-----------|-----------|-----------|-----------|---------|
| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | |
| Contributions/Interest In | \$4.8 | \$14.4 | \$9.9 | \$6.4 | \$35.5 |
| Benefits Paid Out | \$15.4 | \$6.2 | \$4.9 | \$4.4 | \$30.9 |
| Trust Fund | \$157.8 | \$166.0 | \$171.1 | \$173.0 | \$173.0 |