On Thursday, November 21st, several states, led by the Chair and Vice Chair of NASWA’s Unemployment Insurance Committee Bruce Madson (OH) and Jay Rowell (IL), respectively, met with Congressional staff on the Senate Committee on Finance, which has jurisdiction over the Unemployment Insurance (UI) program. They discussed an array of issues affecting state UI programs including the Emergency Unemployment Compensation Act, NASWA’s UI Administrative Funding proposal, Funding for Reemployment Services, Trust Fund Solvency and UI Integrity. Please click [here](#) for the materials describing these issues.

While none of the state attendees addressed an extension of EUC, the States urged that, if an extension occurred, no new changes be added to the current tier structure. Mr. Madson explained to the Senate staff that UI system technology is in a very fragile state, with the average age of the UI technology at 26 years old and 9 out of 10 states still using legacy COBOL systems and other outdated program languages. The states noted that Federal administrative funding has not kept pace to ensure necessary funds for proper and efficient administration of state unemployment insurance programs. Mr. Madson suggested a NASWA proposal to guarantee states at least 60 percent (increased from 50 percent for this briefing because the original 50% is not high enough to provide additional funding) of Federal Unemployment Tax Act (FUTA) revenue collected in the previous tax year for grants to states for
administration. Under this approach there would be a mixture of discretionary and mandatory spending for UI administrative funding, as there is under current law. The additional funds could be used by states to modernize their UI information technology systems and for other integrity projects.

Mr. Madson also discussed the need for a permanent program to fund Reemployment and Eligibility Assessments (REA) activities and Reemployment Services (RES) to unemployment insurance claimants. All states and Congressional staff agreed the most important priority was getting UI claimants back to work through these services. It was suggested the federal government consider a NASWA proposal to create an entitlement grant funded out of Federal Unemployment Tax Act revenue, at as much as $700 million per year, to states for REA and RES to ensure steady and sustainable funding for these important activities for the regular state UI programs. It was noted that a permanent REA/RES program, modeled after the current EUC REA/RES program, is needed to help states reduce long-term unemployment and improve trust fund solvency.

Those attending the meeting included the following: Bruce Madson, Administrator and Chair, NASWA UI Committee (OH), Jay Rowell, Administrator, Vice Chair, NASWA UI Committee (IL), Shayna Cherry, IL Governor’s Washington Representative, Greg Shore, UI Director (PA) and Ashley Bleacher (Executive Assistant to Greg Shore), Acting Deputy Assistant Secretary, Dennis Morton (MD), Dave McGlone, Acting Assistant Secretary for UI (MD), Neil Gorrell, UI Director (WA), Bill Starks, UI Director (UT), Roy Mulvaney, UI Director (MT) and Allison Robertson, Representative for Texas.

NASWA Members meet with Senate Committee on Finance Staff on Challenges Facing UI System