

2010

**National
Association of
State Workforce
Agencies**

NASWA

UNEMPLOYMENT INSURANCE PROVISIONS OF THE RECOVERY ACT SURVEY

SUMMARY OF STATE RESPONSES

MAY 4, 2010

Center for Employment Security Education and Research (CESER)

National Association of State Workforce Agencies

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Background

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009 (The Recovery Act). In November 2009, the National Association of State Workforce Agencies (NASWA), through its research arm, the Center for Employment Security Education and Research (CESER), sent two extensive on-line surveys to state workforce and unemployment insurance (UI) program administrators to gauge states' progress implementing the UI and workforce provisions of the Recovery Act. The two NASWA-funded surveys focus on the Recovery Act's early implementation period.

A total of 48 states, the District of Columbia and Puerto Rico responded to NASWA's survey on the UI provisions of the Recovery Act; this document provides a summary of the state programs' responses as well as detailed results to each survey question. (For the results of the workforce programs survey, see: "Results of a Survey of State Workforce Administrators on Early Implementation of the Workforce Provisions of the Recovery Act.")

NASWA will conduct two follow-up surveys in late 2010 to measure the impact of the Recovery Act beyond the early implementation period.

Increase in Workload before the Recovery Act

1. How did your State handle the increased workload brought on by the recession BEFORE THE RECOVERY ACT WAS IMPLEMENTED?

Of the 47 state programs responding to this question, 42 underwent *Staffing Adjustments (Reassigned Staff)*, 34 engaged in *New Staff Hires*, 34 *Rehired Retirees* to work in claims centers, 17 *Added New Phone Lines*, 6 opened *New Claims Filing Centers*, and 4 needed to *Reallocate Funds*.

In some cases, the reassignment of staff was quite substantial, extending far beyond the reach of the state UI agencies. The UI agency in Maine reported reassigning staff from other programs and bureaus within the department to the UI agency, individuals with no UI training.

2. What techniques were utilized in your State in order to streamline the claims filing process BEFORE THE RECOVERY ACT WAS IMPLEMENTED?

Of the 48 state programs responding to this question, 40 underwent *Staffing Adjustments (Reassigned Staff)*, 26 engaged in *Programming Modifications*, 24 *Increased Online Claims Filing Capabilities*, 17 *Added Phone Lines*, and 3 *Increased Documentation Capabilities*.

The UI agency in Maine added a 2nd Interactive Voice Response server to handle the increased call volumes - particularly on Sundays when claimants file the bulk of their continued claims. Volumes regularly exceeded capacity of a single IVR, creating delays, busy signals and system crashes.

The UI agency in Minnesota successfully implemented a new benefits system in October 2007, which increased overall system capacity and flexibility and allowed the state to process the increased claims workload with relative ease.

3. BEFORE THE ENACTMENT OF THE RECOVERY ACT (use data from the 4th calendar quarter of 2008), did your State UI Agency see a decline in performance due to the increased workload of the recession? If so, in what area(s) did your State Agency experience a decline in performance?

Of the 48 state programs responding to this question, 42 experienced decreased performance in *Customer Wait Times*, 36 experienced decreased performance in the *Adjudications* process, 33 experienced decreased performance in *Benefit Timeliness*, 22 experienced decreased performance in *Detection of Overpayments*, 13 experienced decreased performance in *Facilitation of Reemployment*, and 4 experienced decreased performance in *Tax Operations*.

The UI agency in California indicated that of the Adjudications workload, the performance for Nonmonetary Non-separation Quality decreased.

The UI agencies in Alaska, Florida, Maine and Missouri also experienced performance declines in the *Appeals* process.

\$500 million Distribution to States for UI Administration

1. How did your State use its share of the \$500 million made available for UI administration under the Recovery Act?

Of the 35 state programs responding to this question, 27 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to *Improve UI Tax and Benefit Operations*, 7 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds to *Improve Reemployment Services*, 4 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds to *Improve Outreach to Individuals*, 5 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds to *Design, Fund and Implement the Unemployment Insurance Modernization Provisions of the Recovery Act*, and 4 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds to *Improve Reemployment Eligibility Assessments*.

The UI agency in the District of Columbia will use its full share of the UI Administrative funds provided under the Recovery Act (approximately \$9 million) to update the agency's core legacy benefit system.

The UI agency in Puerto Rico will use some of its UI Administrative funds from the Recovery Act to tackle the problem of SUTA dumping and employer misclassification of employees; they will also use some of the funds to improve their data validation capabilities for benefit payments.

2. As a result of the Administrative funding in the Recovery Act, what technology upgrades (if any) is your State making to help better serve UI claimants?

Of the 34 state programs responding to this question, 22 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to *Upgrade UI Benefit Systems*, 18 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to *Upgrade Infrastructure (Administrative System, Case Management and Internet Access) to Improve Efficiency*, 16 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to *Upgrade Electronic Claims Processing*, 10 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to *Upgrade Tax Filing Systems*, 10 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to

Integrate and Improve Communication and/or Data Transfer of UI Claimant Data Between the UI and ES Offices, and 9 indicated they had either spent a portion, or were planning on spending a portion of the UI Administrative funds provided under the Recovery Act to *Upgrade Adjudication Systems* .

The UI Agency in Minnesota implemented new tax and benefits systems in 2007, and were able to use their share of the UI Administrative funds provided under the Recovery Act to integrate and improve communication and/or data transfer of UI claimant data between their UI and ES offices.

The UI agency in New Jersey is using its share of the UI Administrative funds to upgrade benefit check accounting functions.

3. Were the improvements your State made with the Recovery Act UI administrative funds TEMPORARY or PERMANENT modifications?

Of the 33 state programs responding to this question, 24 indicated the changes made using the UI Administrative funds provided under the Recovery Act were *Permanent*, 7 states indicated some of the changes were *Permanent* while others were *Temporary*, and only 2 indicated the changes were *Temporary*.

The improvements made by the UI agency in California with the UI Administrative funds provided under the Recovery Act will be permanent improvements. The projects undertaken, but not yet completed, as a result of the allocation of the UI administrative funds have included database and IT security modernization, alternate base period implementation, electronic benefit payments availability, and modernization of the claims filing process.

The improvements made by the UI agency in Delaware with the UI Administrative funds provided under the Recovery Act will be temporary and permanent. Examples include hiring additional staff on a temporary basis, permanently moving away from legacy systems that support the tax and benefit data storage by implementing a web-based system, and installing a new telephone system that promotes the efficient handling of calls.

4. Did the administrative funds allow your State to stop reallocation of funds or staffing transfers that were previously needed to handle the increased workload? Or help prevent the need for such reallocation in the first place?

Of the 32 state programs responding to this question, 20 indicated the UI Administrative funds provided under the Recovery Act *Did Not Allow them to Stop Reallocation of Funds or Staffing Transfers*, 9 indicated the UI Administrative funds provided under the Recovery Act *Did Allow them to Stop Reallocation of Funds or Staffing Transfers*, and only 2 indicated they were able to take care of staffing or funding needs using an alternate funding source such as UI contingency money or Reed Act funds.

The primary use of Colorado's share of the UI Administrative funds provided under the Recovery Act will go towards supporting the costs of hiring 100 new permanent part-time employees. Colorado is waiting to receive an appropriation from the General Assembly before these dollars can be used.

The UI agency in Montana said UI Administrative funds provided under the Recovery Act *Did Not Allow them to Stop Reallocation of Funds or Staffing Transfers*. Calling attention to their incredibly high workload, Montana said they continue to reassign staff from other benefits or tax activities to assist in the claims taking process.

State and Federal Extended Benefits (EB)

1. If your State has modified its State EB trigger law (either to include the optional 6% IUR trigger or the optional 6.5% TUR trigger), is this a permanent modification?

Of the 34 state programs responding to this question, 25 indicated their state's modification of the EB trigger law is a *Temporary Modification*, while 9 indicated their state's modification of the EB trigger law is a *Permanent Modification*.

Many of the states who indicated their state's modification of the EB trigger law is a *Temporary Modification*, explained that the legislative language modifying the EB trigger includes a provision which would sunset the trigger change when the federal government no longer provides full funding of the EB payments.

Many of the states who indicated their state's modification of the EB trigger law is a *Permanent Modification*, already had the optional TUR trigger in place before the enactment of the Recovery Act.

2. If the federal government permanently provided full federal funding of EB, would your State be more likely to modify its EB trigger law to include one of the optional triggers?

Of the 24 state programs responding to this question, 23 indicated they *Would be More Likely to Modify their EB Trigger Law to Include One of the Optional Triggers if the Federal Government Permanently Provided Full Federal Funding of EB* and one state indicated they *Would Not be More Likely to Modify their EB Trigger Law to Include One of the Optional Triggers if the Federal Government Permanently Provided Full Federal Funding of EB*.

3. What percentage of the total Emergency Unemployment Compensation (EUC) claimants in your state have exhausted all of their EUC benefit options by the end of the most recent calendar quarter for which you have data? If your State has only activated on Tier I of EUC, then provide the figure for Tier I exhaustees as a percent of total Tier I recipients. If your State has activated on Tier II of EUC, then provide the figure for Tier II exhaustees as a percent of total Tier II recipients.

A total of 29 state programs responded to this question.

Estimates from the 18 state programs providing information on the percentage of EUC claimants that exhausted all of their EUC benefit options by the end of the 1st Quarter of 2009 ranged from 0.0% (CT, HI, NH and WV) to 38.7% (MI), with a median estimate of 7.0%.

Estimates from the 17 state programs providing information on the percentage of EUC claimants that exhausted all of their EUC benefit options by the end of the 2nd Quarter of 2009 ranged from 0.0% (HI, NH and WV) to 51.7% (NV), with a median estimate of 17.6%.

Estimates from the 28 state programs providing information on the percentage of EUC claimants that exhausted all of their EUC benefit options by the end of the 3rd Quarter of 2009 ranged from 0.1% (RI) to 95.0% (SC), with a median estimate of 25.0%.

4. How is your State obtaining claimants' tangible evidence of a work search?

Of the 42 state programs responding to this question, 31 indicated they were using or had used *Paper Documentation* to obtain claimants' tangible evidence of a work search, 16 indicated they were using or had used *Web Communication* to obtain claimants' tangible evidence of a work search, 12 indicated they were using or had used *Interactive Voice Response (IVR)* to obtain claimants' tangible evidence of a work search, 10 indicated they were using or had used *Claimant In-Person Reporting* to obtain claimants' tangible evidence of a work search, and 4 indicated they were using or had used *Other Methods* to obtain claimants' tangible evidence of a work search.

The UI agency in Ohio indicated they were engaging or had engaged in outreach to claimants to provide documentation of their work search.

The UI agency in Washington State reported that, along with the use of *Paper Documentation*, *Web Communication*, and *Interactive Voice Response (IVR)* to obtain claimants' tangible evidence of a work search, they were also engaging in In-person reporting in response to random call-ins to WorkSource offices to review job search logs.

5. How is your State verifying claimants' work search? Procedures similar to Benefit Accuracy Measurement (BAM)? Random Audits?

Of the 42 state programs responding to this question, 22 indicated they were using or had used *Random Audits* to verify claimants' work search, 8 indicated they were using or had used *Benefit Accuracy Measurement (BAM)* to verify claimants' work search, 5 indicated they were using or had used *Eligibility Review* to verify claimants' work search, and 8 indicated they were using or had used *Other Methods* to verify claimants' work search.

EB Claimants in North Carolina are required to make in-person visits to the UI agency on a monthly basis where they are responsible for providing up-to-date, accurate records of their work search. These work search records are then reviewed by agency staff.

When EB is active in New Jersey, the UI agency randomly selects 600 to 700 claims each week and reviews the completed work search contacts; this is not a scientific sample similar to BAM.

Federal Additional Compensation (FAC)

1. What challenges did your State face with the implementation of the FAC?

Of the 47 state programs responding to this question, 42 indicated their state faced *Computer-Programming Challenges* when implementing the FAC, 38 indicated their state faced *Overpayments* when implementing the FAC, 34 indicated their state faced *Reporting Challenges* when implementing the FAC, 21 indicated their state faced *Withholding Related Challenges* when implementing the FAC, 11 indicated their state faced *Challenges Related to Communication with Claimants* when implementing the FAC, and 3 indicated their state faced *Challenges Regarding Claimant Eligibility* when implementing the FAC.

The UI agency in Minnesota reported that the FAC is not like any other aspect of UI. This fact combined with the speed of implementation demanded assured that it would be difficult to implement all the controls usually associated with UI payments.

The UI agency in Oregon reported no implementation challenges with regard to the FAC, and said they began making FAC payments to claimants by the first available date.

Temporary Suspension of Federal Income Tax

1. What percentage of UI claimants withheld federal income tax from UC benefits before the enactment of the Recovery Act (in PY 2008)?

Of the 24 state programs who were able to respond to this question, estimates ranged from 0.0% (PR) to 65.9% (IL), with a median estimate of 46.9%.

2. What percentage of UI claimants currently withhold federal income tax from their UC benefits?

Of the 26 state programs who were able to respond to this question, estimates ranged from 0.0% (PR) to 90.0% (NV), with a median estimate of 50.0%.

3. Has your State experienced problems changing claimants' federal withholding income tax status?

Of the 39 state programs responding to this question, 32 reported *Experiencing No Problems Changing Claimants' Federal Withholding Income Tax Status*, and 7 reported *Experiencing Problems Changing Claimants' Federal Withholding Income Tax Status*.

The UI agency in West Virginia reported no problems when changing claimants' tax status, but reported experiencing some programming problems when changing claimants' tax status with implementation of FAC on partial week claims; the agency said this was because withholding was programmed to compute based on the claimants weekly benefit amounts.

The UI agency in Arizona said claimants may change tax withholding as many times as they wish in the claim filing sequence by sending in a request. The field for tax withholding is overlaid every time the claimant changes. At every initial claim, the claimants are asked the tax withholding question.

UI Modernization: Alternate Base Period (ABP)

1. If your State has enacted an alternate base period, have you seen any evidence that the implementation of the new provision led to: An increase in overall benefit payments? Increased employer taxes? The expenditure of administrative funds to update computer systems? The expenditure of staffing resources to handle new workload?

Of the 29 state programs responding to this question, 9 reported the implementation of the ABP had led to *The Expenditure of Staffing Resources to Handle the New Workload*, 8 reported the implementation of the ABP had led to *The Expenditure of Administrative Funds to Update Computer Systems*, 6 reported the implementation of the ABP had led to *An Increase in Overall Benefit Payments*, and 1 reported the

implementation of the ABP had led to *Increased Employer Taxes*. In addition, 13 state programs reported already having the ABP in place before the enactment of the Recovery Act, while 5 state programs said the ABP had not yet been implemented in their State.

2. If your State has received one-third of the UI Modernization incentive payments provided under the Recovery Act, what have those funds been used for?

Of the 29 state programs responding to this question, 17 reported using some or all of their one-third share of the UI Modernization incentive payments provided under the Recovery Act to make *Benefit Payments*, 13 reported using some or all of their one-third share of the UI Modernization incentive payments provided under the Recovery Act to promote *Solvency*, 6 reported using some or all of their one-third share of the UI Modernization incentive payments provided under the Recovery Act to finance *UI-IT Modernization*, 5 reported using some or all of their one-third share of the UI Modernization incentive payments provided under the Recovery Act to make *Staffing Increases*, 1 reported using some or all of its one-third share of the UI Modernization incentive payments provided under the Recovery Act to support *Employer Tax Cuts*, and 1 reported using some or all of its one-third share of the UI Modernization incentive payments provided under the Recovery Act to finance *Reemployment Services*.

The UI Agency in Maine reported using the UI Modernization funds to reduce the extent of the UI tax increase that went into effect Jan 1, 2010. Without the UI modernization funds (all, not just 1/3), UI taxes would have increased from Schedule A to F instead of A to E, saving employers approximately \$17 million in tax increases that would have otherwise occurred.

UI Modernization: Additional Provisions

1. If your State has enacted some of the additional provisions, have you seen any evidence that the implementation of the new provision led to: An increase in overall benefit payments? Increased employer taxes? The expenditure of administrative funds to update computer systems? The expenditure of staffing resources to handle new workload?

Of the 21 state programs responding to this question, 9 reported the implementation of some of the additional provisions led to *The Expenditure of Staffing Resources to Handle the New Workload*, 9 reported the implementation of some of the additional provisions led to *An Increase in Overall Benefit Payments*, 8 reported the implementation of some of the additional provisions led to *The Expenditure of Administrative Funds to Update Computer Systems*, and 2 reported the implementation of some of the additional provisions led to *Increased Employer Taxes*. In addition, 2 state programs reported already having some of the additional provisions in law before the enactment of the Recovery Act, while 3 state programs said that while they had enacted some of the additional provisions, the laws had not yet been implemented in their State.

2. If your State received two-thirds of the UI Modernization incentive payments provided under the Recovery Act, what have the funds been used for?

Of the 20 state programs responding to this question, 12 reported using some or all of their two-thirds share of the UI Modernization incentive payments provided under the Recovery Act to make *Benefit Payments*, 10 reported using some or all of their two-thirds share of the UI Modernization incentive payments provided under the Recovery Act to promote *Solvency*, 3 reported using some or all of their two-thirds share of the UI Modernization incentive payments provided under the Recovery Act to finance *UI-IT Modernization*, 3 reported using some or all of their two-thirds share of the UI Modernization incentive payments provided under the Recovery Act to make *Staffing Increases*, and 1 reported using some or all of its two-thirds share of the UI Modernization incentive payments provided under the Recovery Act to support *Employer Tax Cuts*.

3. As a result of the UI Modernization funds provided in the Recovery Act, what technology upgrades (if any) is your state making to help better serve UI claimants?(choose all that apply)

Of the 13 state programs responding to this question, 8 reported using some or all of their share of the UI Modernization incentive payments provided under the Recovery Act to *Upgrade Electronic Claims Processing*, 8 reported using some or all of their share of the UI Modernization incentive payments provided under the Recovery Act to *Upgrade Benefit Systems*, 4 reported using some or all of their share of the UI Modernization incentive payments provided under the Recovery Act to *Upgrade Infrastructure (Administrative System, Case Management and Internet Access) to Improve Efficiency*, 4 reported using some or all of their share of the UI Modernization incentive payments provided under the Recovery Act to *Upgrade Adjudications Systems*, 4 reported using some or all of their share of the UI Modernization incentive payments provided under the Recovery Act to *Upgrade Tax Filing Systems*, and 3 reported using some or all of their share of the UI Modernization incentive payments provided under the Recovery Act to *Integrate and Improve Communication and/or Data Transfer of UI Claimant Data Between the UI and ES Offices*.

Conclusion

1. What have been the biggest challenges associated with the implementation of the UI provisions in the Recovery Act?

Of the 40 states responding to this question, 25 reported that the biggest challenges they faced when implementing the UI provisions of the Recovery Act were related to *IT and Computer Programming*, 7 reported that the biggest challenges they faced when implementing the UI provisions of the Recovery Act were related to *Accounting and Reporting*, and 8 reported that the biggest challenges they faced when implementing the UI provisions of the Recovery Act were related to *General Implementation Problems or a Lack of Federal Assistance*.

APPENDIX A

How did your State handle the increased workload brought on by the recession BEFORE THE RECOVERY ACT WAS IMPLEMENTED?

State Agency	Staffing Adjustments (Reassigned Staff)	Reallocation of Funds	Rehiring of Retirees	New Claims Filing Centers	New Hires	Added Phone Lines	Other (please specify)
AK	X	X	X		X		
AR	X		X		X		Comp/Over Time Hours
AZ	X			X	X	X	
CA	X		X		X		
CO	X		X				
CT	X		X				
DC	X				X		
DE	X						Add casual/seasonal and temp agency staff; work overtime
FL	X		X		X	X	Extended hours of system availability; overtime
HI	X		X		X		Overtime
IA	X						
ID	X		X		X	X	
IL	X		X		X	X	
KY	X	X	X				
LA	X		X		X		
MA			X		X		
MD			X		X		
ME	X		X				Reassignment of staff included employees from other programs and bureaus within the department - not solely reassignment of UI trained staff.
MI	X		X	X	X	X	
MN	X		X		X		
MO	X		X		X	X	Extended hours of operations.
MS	X						
MT	X		X		X		
NC	X		X			X	
ND	X						
NE	X				X		
NH	X		X		X		
NJ	X	X	X		X		Overtime authorized for Division of UI employees and Department of LWD employees with UI experience.
NM					X	X	Hired 90-day temp staff
NV	X		X	X	X	X	Leased Additional Space to accomodate new staff
NY	X				X		
OH	X		X				
OK							Worked overtime hours in Call Centers
OR	X		X		X		
PA	X		X	X	X	X	
PR							
RI	X		X				
SC	X		X		X	X	
SD	X		X			X	
TN	X		X		X	X	
TX			X	X	X	X	
UT	X		X		X	X	
VA	X		X		X		We used UI Contingency funds to hire additional staff. Existing staff, who are cross-trained on both ES and UI, spent more time working on UI.
VT	X				X		
WA	X	X		X	X	X	expanding physical facilities to accomodate staff
WI	X		X		X	X	
WV	X		X		X		New Hires, temps, overtime for current staff
WY	X						
TOTALS	42	4	34	6	34	17	

APPENDIX B

What techniques were utilized in your State in order to streamline the claims filing process BEFORE THE RECOVERY ACT WAS IMPLEMENTED?

State Agency	Programming Modifications	Increased Documentation Capabilities	Staffing Adjustments (Reassigned Staff)	Added Phone Lines	Increased Online Claims Filing Capabilities	Other (please specify)
AK	X		X			
AR			X			
AZ	X		X	X	X	
CA	X		X			
CO			X			
CT	X		X	X		
DC	X		X			
DE			X			Add casual/seasonal and temp agency staff; work overtime
FL		X	X	X		
HI			X		X	Overtime
IA	X				X	
ID			X	X		
IL	X		X	X	X	
KY	X		X			
LA	X		X		X	
MA	X		X			
MD	X				X	
ME			X			Added a 2nd Interactive Voice Response server to handle the increased call volumes - particularly on Sundays when claimants file the bulk of their continued claims. Volumes regularly exceeded capacity of a single IVR creating delays, busy signals and system crashes.
MI	X		X	X	X	
MN	X		X		X	MN implemented a new benefits system in Oct 2007 which increased overall system capacity and flexibility.
MO	X		X	X		
MS			X			
MT	X				X	
NC			X	X		Promote self service through internet and telephone.
ND	X		X		X	
NE			X		X	
NH			X			
NJ	X		X			Overtime authorized for Division of UI employees and Department of LWD employees with UI experience.
NM	X			X		
NV	X	X	X	X	X	
NY	X		X		X	
OH			X	X	X	
OK					X	
OR	X		X			
PA	X		X	X	X	
PR						Initial claims taken by phone for 80% of the Island.
RI			X			
SC					X	
SD	X	X	X	X	X	
TN			X	X	X	
TX	X				X	
UT			X	X		
VA			X		X	Staff worked overtime.
VT					X	
WA	X		X	X		Usability study of on-line claims filing applications
WI			X	X	X	
WV			X			Internet applications for initial interstate claims
WY			X			
	X		X		X	
TOTALS	26	3	40	17	24	

BEFORE THE ENACTMENT OF THE RECOVERY ACT (use data from the 4th calendar quarter of 2008), did your State UI Agency see a decline in performance due to the increased workload of the recession? If so, in what area(s) did your State Agency experience a decline in performance ?

State Agency	Adjudications	Benefit Timeliness	Detection of Overpayments	Tax Operations	Facilitation of Reemployment	Customer Wait Times	N/A	Other (please specify)
TN	X	X				X		
TX	X	X	X		X	X		
UT	X	X	X		X	X		
VA	X	X				X		
VT	X	X	X			X		
WA	X	X				X		
WI	X	X	X			X		
WV							X	
WY						X		
	X	X	X			X		
TOTALS	36	33	22	4	13	42	3	

APPENDIX D

How did your State use its share of the \$500 million made available for UI administration under the Recovery Act?

State Agency	Designing, Funding and Implementing the Unemployment Insurance Modernization Provisions of the Recovery Act	Improving Outreach to Individuals	Improving UI Tax and Benefit Operations	Improving Reemployment Eligibility Assessments	Improving Reemployment Services
AK					
AR			\$ 434,000.00		
AZ			X		
CA	\$23.6 million		\$ 36,300,000.00		
CO		\$500,000			
CT	We are in the process of upgrading our Call Center IVR telebenefits system, and increasing the capability of our online web filing.		Continual adjustments to our benefits and tax automation systems due to the EUC/EB extensions.		
DC			In our application, we indicated that we would use the entire \$9 million to move away from our legacy system, and/or pay benefits.		
DE			\$1,562,028 received; expenditures pending		
FL			Plan to use for new claims/benefits/appeals system		
HI					
IA				\$ 56,000.00	
ID	Idaho has not allocated the administrative funds yet as we need approval from our legislature				
IL			All allocations fall in this category. Most of it went to help fund the IBIS efforts, with the balance helping deal with increased workload (e.g. temporary help). The total amount allocated to us was \$21,510,763.		
KY					
LA	Have not used any funds to date		No funds expended yet but expect to in the future	No funds expended yet but expect to in the future	No funds expended yet but expect to in the future
MA			\$3 million		\$3 million
MD					
ME			The plan is to use it to improve and strengthen the UI and Benefit Operations mostly through additional technological applications and system enhancements. Although planning work has begun on several projects such as an Online Employer Filed Mass Claim Application - the development work is just getting underway. We are in the process of implementing Debit Cards right now but most of the technology projects that we will accomplish using these funds have been stalled to some degree due to lack of IT resources - even though we have the funding to do them (state hiring restrictions and the focus on implementing temporary federal UI programs and revisions). We are also in the process of establishing a contract with Strategic Contact to perform an assessment of all of our UI operations and processes to determine what we can do to streamline and improve operational efficiency and effectiveness through process changes and technology.		We also plan to use some of these funds to further link UI and ES systems to better link UI claimants to job bank openings and referrals.
MI			\$ 7,900,000.00		\$ 7,000,000.00
MN					
MO	N/A	N/A	Set funding aside for UI automation project.	N/A	N/A
MS			Funds have not been used as of this date.		
MT			\$1.9 Million		
NC					
ND					
NE					
NH			\$ 2,242,944.00		

How did your State use its share of the \$500 million made available for UI administration under the Recovery Act?

State Agency	Designing, Funding and Implementing the Unemployment Insurance Modernization Provisions of the Recovery Act	Improving Outreach to Individuals	Improving UI Tax and Benefit Operations	Improving Reemployment Eligibility Assessments	Improving Reemployment Services
NJ	\$ 8,760,000.00	\$ 2,230,000.00	\$ 2,370,000.00		
NM		\$ 160,000.00	\$ 3,190,000.00		\$ 3,050,000.00
NV			\$1.4 million)		
NY			We anticipate the full \$29.5 million will be used for tax and benefit operations		
OH			permanent		
OK			\$2.9 million	\$2.5 million	
OR	Oregon's portion has not been used and remains in our UI Trust Fund.				
PA					\$9 million
PR	\$47,000 FAC Implementation SBR		\$7,000 for SUTA Dumping \$66,000 Data Val. Benefits	\$408,450 REA and Worker Profiling Model	
RI			\$450,000 has been spent on technology to improve claims processing		
SC	\$2.9 million to date				
SD	X - Dollar amount not tracked by use		X - Dollar amount not tracked by use		
TN			None expended yet.		
TX	\$39M				
UT	Utah's portion has not been appropriated by the legislature and remains within our UI Trust Fund				
VA					
VT					
WA					
WI			Approximately 2/3 of \$9.6 million total		Approximately 1/3 of \$9.6 million total
WV		\$ 52,489 through October, 2009			
WY					
TOTALS	4 States used for UI Mod; 1 State used for FAC	5 states	27 states have spent funds or are planning to do so	4 states has spent funds or are planning to do so	7 states have spent funds or are planning to do so

APPENDIX E

As a result of the Administrative funding in the Recovery Act, what technology upgrades (if any) is your State making to help better serve UI claimants? (check all that apply)

State Agency	Integrating and Improving Communication and/or Data Transfer of UI Claimant Data Between the UI and ES Offices	Upgrading Infrastructure (Administrative System, Case Management and Internet Access) to Improve Efficiency	Upgrading Electronic Claims Processing	Upgrading Adjudication Systems	Upgrading Tax Filing Systems	Upgrading Benefits Systems	Other (please specify)
AK							N/A
AR			X			X	
AZ						X	
CA		X	X			X	
CO							
CT		X	X		X	X	
DC				X	X	X	
DE	X	X			X	X	
FL							
HI							
IA		X	X			X	Design new UI computer system
ID							NA
IL						X	
KY		X					
LA	X		X			X	
MA		X					
MD							
ME	X	X		X		X	As mentioned above, we plan to primarily use these funds to improve UI Benefit and Tax operations through technological additions and system enhancements.
MI		X	X	X	X	X	
MN	X						MN had already implemented a new "tax" system in X00X and an integrated "benefits" system in X007
MO	X	X	X	X	X	X	Missouri is designing a new UI computer system.
MS							None as of this time
MT			X	X			
NC							
ND					X	X	
NE							Nebraska has not utilized UI admin under recovery act
NH		X				X	
NJ	X	X	X	X	X	X	Upgrading benefit check accounting functions.
NM	X				X	X	
NV	X						
NY							other sources of funding are being used for system upgrades
OH		X	X			X	
OK			X				
OR							None. See response above.

As a result of the Administrative funding in the Recovery Act, what technology upgrades (if any) is your State making to help better serve UI claimants? (check all that apply)

State Agency	Integrating and Improving Communication and/or Data Transfer of UI Claimant Data Between the UI and ES Offices	Upgrading Infrastructure (Administrative System, Case Management and Internet Access) to Improve Efficiency	Upgrading Electronic Claims Processing	Upgrading Adjudication Systems	Upgrading Tax Filing Systems	Upgrading Benefits Systems	Other (please specify)
PA		X					To implement any changes in state law that would effect UC eligibility
PR							UI Lower Level Appeals Conversion from Tape to Tigital Recording
RI		X					
SC	X	X	X		X	X	
SD							
TN						X	
TX		X	X	X	X	X	
UT							N/A
VA							None to date.
VT			X			X	
WA							
WI		X	X	X		X	
WV	X	X	X	X			
WY							
TOTALS	10	18	16	9	10	22	

APPENDIX F

State Agency	Were the improvements your State made with the Recovery Act UI administrative funds TEMPORARY or PERMANENT modifications? Please explain.
AK	N/A
AR	Permanent changes to our intranet initial claim filing system--moving it to the Internet.
AZ	While Arizona has not yet expended any of the ARRA UI Admin funding for the projects identified in question 2, any modifications made will be permanent.
CA	The improvements made by California will be permanent improvements. The projects that have been able to be undertaken, but not yet completed, as a result of the allocation of the UI administrative funds have included database and IT security modernization, alternate base period implementation, electronic benefit payments availability, and modernization of the claims filing process.
CO	
CT	We are making permanent upgrades to our UI Benefits System. We expect that these upgrades will be completed by the end of 2012.
DC	The improvements made by DC with the UI Administrative funds provided under the Recovery Act will be permanent. We are moving away from legacy systems that we currently use for tax and benefit storage by implementing a web based system and installing a new telephone system that promotes the efficient handling of calls. Changes are in progress and will be permanent.
DE	Changes are in progress and will be permanent.
FL	Florida has not yet used its share of the \$500 UI administrative funding provided in the ARRA. Since the money will be used in the developing in a new integrated claims/benefits/appeals system, all legacy modifications required of the Agency by the ARRA could be viewed as temporary.
HI	N/A
IA	Hired 56 additional staff to cover the workload and will use funds to assist in new UI computer system.
ID	NA
IL	The new information system (IBIS) will be permanent.
KY	N/A
LA	Permanent modifications
MA	A mixture of both. A data warehouse will be procured for use in improving the use of UI data and LMI. Infrastructure procured to support reemployment. both of these are permanent. Additional staffing will be paid for, thus temporary.
MD	
ME	We have not completed these improvements and I would say we are in the beginning stages of this work primarily due to lack of IT staff availability and program staff availability as they are focused on addressing UI workloads that still exceed operational capacity. However, we are focused on making permanent changes and application additions to our operational systems versus anything temporary.
MI	Permanent. Funds have been appropriated for the purposes identified above but have not been spent.
MN	The immediate changes we made were primarily in increased staffing. Since staffing levels follow workload, we treat those as temporary. Funding was also used to support changes to the system to accommodate FAC. Longer term we are investing in automation projects that will enhance our self-service model and make the program more flexible in the future.
MO	When the new UI computer system is implemented, the changes will be permanent.
MS	N/A
MT	permanent changes
NC	
ND	The changes that will be made to upgrade our tax and benefit technologies will be permanent. Any staffing changes that are/will be made will be temporary.
NE	
NH	The UI recovery act funds were primarily used for infrastructure improvements. We purchased new mailing equipment to more efficiently process mail and to lower postage costs. We needed to modify the UI computer application to accommodate a new law in NH for a waiting week as well as Tier III.
NJ	New Jersey made permanent modifications to document image Lower Authority appeals and Benefit Payment Control case files, upgrade of the Lower Authority appeals computer software, computer programming, form development and procedures for the Emergency Unemployment Compensation (EUC) Tier I through Tier IV, improve functionality for Benefit Payment Control benefit repayment installment agreements, dependency verifications through NJ Division of Revenue, upgrade to Interactive Voice Response and Information Data Exchange system between Division of UI and Employers. Employer Tax enhancements to the Field Service Audit application, purchase of FileNet software, upgrade the on-line Employer Tax data for employer access to charges, automate Employer Tax Rating tables and automate Employer Tax receivables when an employer's rate changes during a fiscal year. Upgrades to the UI Benefit Accounting system include; purchasing custom banking software, improvement to the benefit "Check Tracer" system for returned benefit checks and pursuing a return check "Lock Box" with the NJ Division of Revenue

State Agency	Were the improvements your State made with the Recovery Act UI administrative funds TEMPORARY or PERMANENT modifications? Please explain.
NM	Temporary---upgradt to the Mainframe lease for 3 years until the UI Tax system is fully implemented. Temporary--staffing for the Field staff and UI staff Permanent---UI Tax filing system and enhancements to the Claim System.
NV	The adoption of the "Virtual Call Center/Virtual Hold" system was a PERMANENT modification to our UI Telephonic infrastructure. The Virtual Call Center dynamically routes callers to our Northern (Carson City) and Southern (Las Vegas) call centers as individual claims examiners become available, ensuring the shortest possible wait times for all claimants. The telephonic system we are replacing prioritized the claimant queues by region, which led to an imbalance in wait times.
NY	N/A
OH	permanent
OK	We are making a permanent upgrade in our telephone and telecommunication systems
OR	N/A
PA	Permanent - By hiring additional PA CareerLink staff, approximately 50,000 additional claimants will be called in for the PA Re-employment Program (PREP) through 2010, with approximately 36,000 receiving intensive re-employment services through 2011.
PR	Improvements made in Appeals, Worker Profiling model, Data Validation and Tax are permanent.
RI	permanent improvements, On line weekly cerifications; Hold file on line for weekly cerifications for which the claim is pending temporary - additional annex call centers
SC	Permanent
SD	Some permanent as well as temporary staff were added to our Call Center, Benefits processing and Adjudication units.
TN	Permanent modifications
TX	The funds have not been expended yet, however, the expenditures will be on permanent modifications
UT	N/A
VA	Not applicable.
VT	Permanent - on line STC application and on line additional claim application
WA	N/A
WI	Most will be permanent modifications.
WV	To date the Recovery Act administration funds have only been used to fund temporary positions to take and process UI claims. We plan to use some of the funds in the future to upgrade our IVR system, mail processing equipment, adjudication equipment, etc.
WY	N/A
TOTALS	2 states making temporary improvements; 24 states making permanent improvements; 7 states making both temporary and permanent improvements

APPENDIX G

State Agency	Did the administrative funds allow your State to stop reallocation of funds or staffing transfers that were previously needed to handle the increased workload? Or help prevent the need for such reallocation in the first place? Explain your response.
AK	N/A
AR	No--project is not yet complete.
AZ	Arizona has not yet expended any of the ARRA UI Admin funding as our above base earnings, available Reed Act funding, and base grant have been sufficient to sustain operations. We do anticipate that the use of the \$10.7M will be required in FFY 2010.
CA	The California portion of the administrative funds was not directly utilized to handle increased workload. However, a number of the projects that California has undertaken with the administrative funds will address workload, including future increases, by creating more effective and efficient services through enhanced automation systems.
CO	The primary use of Colorado's share (\$9,104,983) will go towards supporting the costs of hiring 100 new permanent part-time employees. Colorado is waiting to receive an appropriation from the General Assembly before these dollars can be used. The estimated timeframe for this is April 2010.
CT	No. We have called back some retirees and hired some temporary workers along with some temporary staff reassignments to handle the increased workload.
DC	No, apart from benefit payments, the funds will allow for an upgrade in the IT systems that support the program.
DE	No--funds are being dedicated to IT initiatives
FL	
HI	N/A
IA	Yes, hired new people so we could stop moving people from function to function as one fell farther behind then the rest.
ID	N/A
IL	No, IBIS is a long term investment that should pay benefits down the road, but not necessarily right now.
KY	
LA	
MA	No
MD	Because of the availability of other funds due to increased funding, it has not been necessary to utilize the funds at this time.
ME	No. We were able to get clearance through the state's hiring freeze process to bring on additional staff which has greatly reduced our reliance on reassigning staff from other areas of UI and the department as a whole. Our focus for using the administrative funds is future-directed in terms of permanently improving, modernizing and strengthening the UI technological systems and applications.
MI	No. The reallocation of staff was based on their knowledge and ability. Because of the need for experienced workers, the reallocated staff continued.
MN	Yes, the availability of funding has allowed MN to return to pre-recession levels of activity in integrity areas without jeopardizing customer service.
MO	N/A
MS	N/A
MT	No. our workload is so high that we have had to reassign staff from other benefits or tax activities to assist.
NC	
ND	The administrative funds will allow system upgrades that would have had to have been reallocated from long term technology projects.
NE	
NH	No. We decided to use the funds on infrastructure and not staffing. Only a couple new positions were created.
NJ	New Jersey Division of UI did reallocate staff to assist with UI claims functions and continued to do so after the administrative funds were allocated. The claim workloads significantly rose due to the increase in the rates of the unemployed and due to the four EUC Tier and EB extensions. This reallocation of staff is still ongoing.
NM	Helped prevent reallocation of staff.
NV	No. The administrative funds allowed us to expedite planned technology changes for the call centers. The implementation of the virtual call center will enable the Division to more efficiently and effectively serve our UI customers.
NY	
OH	Yes, the admin funds prevented the reallocation of non-federally support staff and allowed us to hire additional staff to assist with the increased workload.
OK	
OR	N/A
PA	N/A
PR	PR relocate staff from our Call Center to San Juan Local Office. We're allowed to make changes within UI offices.

State Agency	Did the administrative funds allow your State to stop reallocation of funds or staffing transfers that were previously needed to handle the increased workload? Or help prevent the need for such reallocation in the first place? Explain your response.
RI	improved customer service eliminated temporary assignment of staff from other divisions to assist in UI
SC	No. The volume of claims still necessitate the use of additional staff.
SD	Yes, we added permanent and temporary staff which allowed us to discontinue reallocation of staff from other units.
TN	No, current workload is such that staff reallocation is still necessary.
TX	All of the administrative funds will be used to upgrade and enhance our UI automated systems...benefits, tax and appeals,
UT	N/A
VA	No. Since these funds originated as FUTA Reed Act funds and therefore have a longer life than other UI funds, we are not spending them before spending other UI funds that have approaching expenditure deadlines. Currently, these funds are programmed in our long-range budget plan for use in FY 2012 to support administration of the UI Program. However, the possible use of these funds to provide RES services to UI claimants is still under discussion.
VT	No until the claims load decreased from the normal increase that happens every winter with our seasonal businesses.
WA	N/A
WI	Wisconsin did not utilize the administrative funds for these purposes.
WV	No. We made temporary staffing transfers or reassignments of duties which were necessary to handle the increased claims load and to assist in training newly hired temporary staff.
WY	N/A
TOTALS	20 states said No; 9 states said Yes; 2 states said they were able to take care of staffing needs using outside funds such as contingency or Reed Act

APPENDIX H

If your State has modified its State EB trigger law (either to include the optional 6% IUR trigger or the optional 6.5% TUR trigger), is this a permanent modification?

State Agency	Yes	No	If yes, what trigger did your state elect to enact?
AK			Alaska already had the IUR & TUR triggers in our law.
AR		X	
AZ		X	
CA		X	
CO		X	
CT	X		6.5% TUR
DC	X		We included the TUR trigger as a permanent modification.
DE	X		Added the TUR trigger to end when 100% federal payment for EB ends
FL		X	
HI		X	
IA			
ID	X		but is only in place when federal funding is paying full EB benefits.
IL		X	
KY		X	
LA		X	
MA		X	Only applies when 100% federal funding is available.
MD			
ME		X	the legislative change to adopt the TUR trigger was tied to continued federal funding of EB only.
MI		X	
MN			
MO		X	
MS		X	
MT			
NC	X		6.5% was already in our law.
ND			
NE			
NH	X		We already had the 6.5% TUR trigger
NJ	X		New Jersey has a permanent 6 percent TUR.
NM		X	
NV		X	
NY	X		TUR if 100% Federal Funding
OH		X	
OK			N/A
OR		X	We had this trigger in place prior to ARRA.
PA		X	
PR		X	
RI			Since March X993 has had TUR 6.5% as part of our law
SC		X	TUR The legislative language contains a sunset provision which would cause the TUR to revert back to the IUR Trigger should Federal coverage of the additional costs cease.
SD			NA
TN		X	
TX	X		6.5 TUR
UT			
VA		X	
VT			
WA			NOTE: Both triggers already in existing law.
WI		X	
WV		X	6.5% TUR trigger
WY			
			We did not modify our state EB trigger
TOTALS	9	25	

APPENDIX I

If the federal government permanently provided full federal funding of EB, would your State be more likely to modify its EB trigger law to include one of the optional triggers? If no, why not?

State Agency	Yes	No	Other (please specify)
AK			N/A
AR	X		
AZ	X		
CA	X		
CO			Yes; however modification isn't required since the law was written so that the optional trigger would be in effect as long as it is 100 percent federally funded.
CT			
DC			Not applicable.
DE	X		
FL	X		
HI	X		
IA			Could get through legislature without cost to the state.
ID			Our current law indicates we will have this in place until the federal government no longer is reimbursing 100%.
IL	X		
KY	X		
LA	X		
MA			Already modified, but only applies when 100% federal funding is available.
MD			Maryland has concerns about the continued 100% charging of EB to state and local governments.
ME	X		
MI	X		
MN			Minnesota had the TUR trigger of 6.5% prior to the passage of ARRA.
MO			Unknown.
MS			This would be a legislative matter.
MT	X		
NC			
ND			This is unknown at this time, but is probable due to the fact that state funds would not be required.
NE			
NH			
NJ			Again, New Jersey has permanently modified the EB trigger law.
NM		X	
NV	X		
NY	X		
OH	X		
OK			unknown
OR			Our EB trigger was already in place. We have enacted law to allow us to modify EB periods when the feds provide more than 50% funding.
PA	X		
PR	X		
RI			
SC			Fear of additional costs to state
SD			Difficult to speculate. SD unemployment rates rarely, if ever, reach levels to trigger EB.
TN	X		
TX			
UT	X		
VA	X		
VT			
WA			NOTE: Both triggers already in existing law.
WI	X		
WV			Our legislation provided language to extend the EB trigger provisions if federal funding for such benefits was extended.
WY	X		
	X		
TOTAL	23	1	

APPENDIX J

What percentage of the total EUC claimants in your state have exhausted all of their EUC benefit options by the end of the most recent calendar quarter for which you have data?

State Agency	1st Quarter of 2009	2nd Quarter of 2009	3rd Quarter of 2009
AK	18.0%	39.0%	30.0%
AR			
AZ	5.0%	12.0%	17.0%
CA			55.0%
CO			
CT	0.0%		
DC			
DE			
FL			61.6%
HI	0.0%	0.0%	89.0%
IA	27.0%		35.0%
ID	14.0%	24.0%	38.0%
IL		50.3%	3.5%
KY			
LA			
MA			
MD			
ME			
MI	38.7%	5.8%	5.3%
MN			55.0%
MO	8.9%	32.1%	63.3%
MS			
MT	15.0%	30.0%	25.0%
NC			
ND	10.0%	12.1%	9.0%
NE			
NH	0.0%	0.0%	10%
NJ			7.0%
NM			
NV	17.3%	51.7%	56.6%
NY			
OH			10.0%
OK			
OR	1.1%	8.7%	8.6%
PA	0.5%	29.3%	11.6%
PR	2.8%	1.6%	38.0%
RI			0.1%
SC			95.0%
SD			38.7%
TN			
TX			25.0%
UT			
VA	25.0%	33.0%	50.0%
VT			
WA			0.5%
WI			
WV	0.0%	0.0%	14.0%
WY	34.0%	23.0%	22.0%
TOTAL	18 states	17 states	28 states
MEDIAN	7.0%	23.0%	25.0%
RANGE	0.0%-38.7%	0.1%-51.7%	0.1%-95.0%

APPENDIX K

How is your State obtaining claimants' tangible evidence of a work search?

State Agency	Paper Documentation	Interactive Voice Response (IVR)	Claimant in-person Reporting	Web Communication	Other (please specify)
AK	X	X		X	
AR	X		X		
AZ	X	X	X	X	
CA	X				
CO	X		X		
CT			X		
DC	X		X	X	
DE	X				
FL	X			X	
HI	X	X			
IA		X			
ID	X				
IL	X				
KY			X		
LA		X		X	
MA	X			X	
MD		X		X	
ME	X				
MI	X			X	
MN	X			X	
MO	X				
MS					
MT	X				
NC			X		
ND				X	
NE					
NH	X				
NJ	X				
NM				X	
NV	X				
NY	X				
OH					Outreach to claimants to provide documentation.
OK					
OR		X		X	
PA	X				
PR	X	X			
RI	X				
SC	X	X	X		
SD					
TN	X				
TX	X				
UT				X	
VA	X				On-line weekly claims app.
VT				X	
WA	X	X	X		In-person reporting in response to random call-ins to WorkSource offices to review job search logs.
WI	X	X		X	
WV	X		X		
WY					
		X		X	
TOTALS	31	12	10	16	4

APPENDIX L

State Agency	How is your State verifying claimants' work search? Procedures similar to Benefit Accuracy Measurement (BAM)? Random Audits?
AK	Random Audit
AR	When a worksearch record is questionable the listed contacts are called for verification.
AZ	
CA	The Department is using a recognized standard methodology similar to the methodology used to select the BAM sample to verify claimants' work search. The methodology being used selects a percentage of EB extension weeks claimed out of the total EB extension weeks claimed. The forms selected for review are randomly selected each day. The daily sample are scanned, documented, and retained; and collected in a consistent manner throughout the year. A standard methodology is used to ensure that the random sample is representative of the EB extension population, maintains a 95 percent confidence level, and is sufficient to maintain statistical validity. The sample is based on an average of approximately 100,000 EB weeks claimed each week (based on approximately 50,000 EB extension claims filed each week). Based on this methodology, the Department has determined that 383 EB weeks claimed should be reviewed each week. The sample size may be reevaluated in the future, as the average total EB weeks claimed changes, to ensure the 95 percent confidence level is met.
CO	Benefit Payment Control verifies a random sample of claimants. The sample includes approximately 30 regular unemployment insurance claims and 20-25 Emergency Unemployment Compensation claims. The work-search verifications are completed 2-3 times per month. Benefit Accuracy Measurement verifies a random sample of claimants on a weekly basis. The weekly work-search verifications are completed on approximately 10-12 claims and may include both unemployment insurance and Emergency Unemployment Compensation claims.
CT	For claimants audited by our Quality Control unit we request written verification from employers
DC	A random sampling of claimants is pulled and staff call employers to verify the claimants work search information.
DE	Random Audits
FL	Procedures similar to eligibility review.
HI	Eligibility Review Interviews
IA	Must report number of contacts and then by random audits or complaints
ID	The claimant is required to supply weekly proof. We verify those that are questionable or appear to be inaccurate. This is a staff call.
IL	Illinois pulls a sample and the sample is reviewed by BAM. Those not meeting are referred for adjudication.
KY	
LA	BAM is the only verification of work searches
MA	Review a sample fo forms submitted for each week.
MD	N/A
ME	Prior to making an EB payment, we're manually reviewing every EB continued claim to ensure that the work search documentation has been submitted and that it meets the minimum requirements for work search under EB.
MI	Random Audits
MN	Applicants report their work search activities via the self-service web application or via paper if they choose to request benefits via the IVR. The applicant's submission is then sent to workflow where it is queued for staff review and validation.
MO	Paper documents are reviewed and work search verifications are completed as issues arise.
MS	N/A
MT	Similar to random audits, call & verify a small sample of work searches.
NC	Claimants are required to make in-person report monthly, work search record are reviewed by agency staff. Claimants are responsible for maintaining and providing records upon vt
ND	Procedures for verification are similar to BAM processes and random.
NE	
NH	Through sampling.
NJ	When EB is active New Jersey randomly selects each week 600 to 700 claims and reviews the completed work search contacts. This is not a scientific sample similar to BAM.
NM	Random Audits

State Agency	How is your State verifying claimants' work search? Procedures similar to Benefit Accuracy Measurement (BAM)? Random Audits?
NV	The State Extended Benefit weekly claim forms are mailed to Nevada's Northern Telephone Claims Center, which has implemented a special unit to process EB claims. The paper weekly claim forms require that the claimant provide tangible work search contacts each week, prior to the authorized payment of EB. All work search/claim forms, are reviewed before lawful weekly payment is authorized. Approximately 10% of the submitted work search/claim forms are further reviewed to ensure the contacts the individual made is realistic. Employers may be contacted for verification. Future plans include increasing the number of work search verifications by referring EB claimants to the local offices (JobConnect) for work search verification.
NY	Sample audits
OH	Random audits.
OK	Random audits as well as weekly claimant certification
OR	Random sampling.
PA	Pennsylvania conducts random audits on a daily basis.
PR	We verify claimants work search when they have UI eligibility review and RES appointments.
RI	Random Audits
SC	ERs / BAM
SD	Done on a limited basis in response to an indication of improper work search. Staff are being added to verify work search on a random basis.
TN	As a part of BAM Reviews.
TX	Random audits
UT	Eligibility Reviews
VA	By mail with the employer.
VT	random selection, validating with contact to the employer. All EB claimants are required to file on line and provide contact information. Suspicious contacts are also verified.
WA	BAM, random call-ins for in-person review of job search logs, new Work Search verification unit with follow-up through Telecenters
WI	Random audits.
WV	Random audits
WY	Random audits
	Bam and eligibility reviews
TOTALS	22 states use random audits; 8 states use BAM; 5 states use eligibility review; 8 states use other methods

APPENDIX M

What challenges did your State face with the implementation of the FAC?

State Agency	Reporting Challenges	Computer-Programming Challenges	Withholding Related Challenges	Challenges Related to Communication with Claimants	Challenges Regarding Claimant Eligibility	Overpayments	Other (please specify)
AK	X	X	X			X	
AR	X	X	X	X		X	
AZ		X				X	
CA	X	X	X			X	
CO			X			X	
CT	X	X	X				
DC	X					X	
DE	X	X	X				
FL	X	X				X	Printing/mailling checks
HI	X	X			X	X	
IA		X					
ID		X				X	
IL	X	X				X	
KY	X	X		X		X	
LA	X	X	X			X	
MA	X	X				X	
MD		X					
ME	X	X	X	X			
MI	X	X				X	
MN		X	X	X		X	FAC is NOT like any other aspect of UI. This fact combined with the speed of implementation demanded assured that it would be difficult to implement all the controls usually associated with UI payments.
MO	X	X	X			X	
MS						X	
MT	X	X					
NC	X	X				X	
ND	X	X	X			X	
NE							
NH	X	X	X			X	
NJ	X	X	X			X	
NM	X	X	X			X	
NV	X	X	X			X	FAC has required Nevada to operate dispirited systems to properly account for, report, and recover FAC overpayments.
NY	X	X		X		X	
OH	X	X	X		X	X	
OK	X	X		X		X	
OR							We had no challenges and had payments out the first available date.
PA	X	X		X			
PR		X	X				
RI		X					

What challenges did your State face with the implementation of the FAC?

State Agency	Reporting Challenges	Computer-Programming Challenges	Withholding Related Challenges	Challenges Related to Communication with Claimants	Challenges Regarding Claimant Eligibility	Overpayments	Other (please specify)
SC	X	X				X	
SD	X	X				X	
TN	X	X				X	
TX	X	X	X	X		X	
UT	X	X	X	X		X	
VA	X	X		X		X	
VT						X	
WA	X	X				X	Reporting and computer changes werre major impacts.
WI		X			X	X	
WV	X	X	X	X		X	
WY						X	
		X	X			X	
TOTALS	34	42	21	11	3	38	

APPENDIX N

State Agency	What percentage of UI claimants withheld federal income tax from UC benefits before the enactment of the Recovery Act (in PY 2008)?
AK	
AR	
AZ	
CA	
CO	
CT	58.0%
DC	31.0%
DE	
FL	46.3%
HI	
IA	30.0%
ID	40.0%
IL	65.9%
KY	25.0%
LA	53.0%
MA	
MD	20.0%
ME	
MI	
MN	15.0%
MO	
MS	
MT	44.8%
NC	
ND	60.0%
NE	
NH	20.0%
NJ	45.0%
NM	
NV	60.0%
NY	50.0%
OH	58.0%
OK	
OR	47.4 %
PA	
PR	0.0%
RI	54.5%
SC	
SD	
TN	40.7%
TX	
UT	
VA	
VT	
WA	49.0%
WI	
WV	60.1%
WY	64.0%
TOTALS	24 states were able to respond to the question with a median estimate of 46.9% and a range of 0.0%-65.9%

APPENDIX O

State Agency	What percentage of UI claimants currently withhold federal income tax from their UC benefits?
AK	
AR	
AZ	47.0%
CA	
CO	
CT	65.0%
DC	34.0%
DE	
FL	47.3%
HI	
IA	30.0%
ID	42.0%
IL	66.7%
KY	20.0%
LA	55.0%
MA	
MD	20.0%
ME	
MI	
MN	50.0%
MO	
MS	
MT	47.4%
NC	
ND	60.0%
NE	
NH	20.0%
NJ	55.0%
NM	
NV	90.0%
NY	50.0%
OH	58.0%
OK	
OR	49.4 %
PA	
PR	0.0%
RI	62.8%
SC	
SD	
TN	42.91%
TX	
UT	50.0%
VA	
VT	
WA	53.0%
WI	
WV	74.5%
WY	65.0%
TOTALS	26 states were able to respond with a median estimate of 50% and a range of 0.0%-90.0%

APPENDIX P

State Agency	Has your State experienced problems changing claimants' federal withholding income tax status?
AK	No
AR	No
AZ	No, claimants may change tax withholding as many times as they wish in the claim filing sequence by sending in a request. The field for tax withholding is overlaid every time the claimant changes. At every initial claim, the claimants are asked the tax withholding question.
CA	No problems have been experienced.
CO	
CT	
DC	No
DE	No
FL	No
HI	No
IA	No
ID	No
IL	No
KY	No
LA	
MA	No
MD	No
ME	
MI	Yes
MN	The only problem has been in doing withholding for FAC.
MO	No
MS	No
MT	No
NC	
ND	No
NE	
NH	No
NJ	New Jersey has experience problems with the withholding of income tax from the FAC payments. There is no computer programming in place to withhold income tax from the FAC payments.
NM	Claimants call starting January 1 wanting thier federal withholding. NM tries to get them out as soon as all information is in system. No later than Jan 29. Claimants tie up telephone lines with questions.
NV	No
NY	No
OH	No
OK	No
OR	No
PA	No
PR	No
RI	No
SC	No
SD	No
TN	No
TX	
UT	Workload increase.
VA	No
VT	No
WA	minor impacts only
WI	These have not been significant so far.
WV	No problem changing the claimants tax status. We did have some programming problems with implementation of FAC on partial week claims as withholding was programmed to comute based on the claimants weekly benefit amounts. This has been corrected.
WY	No
TOTALS	32 states said No; 7 said Yes

APPENDIX Q

If your State has enacted an alternate base period, have you seen any evidence that the implementation of the new provision led to: (If your State has not enacted any of the UI Modernization provisions, please skip these questions)					
State Agency	An increase in overall benefit payments?	Increased employer taxes?	The expenditure of administrative funds to update computer systems?	The expenditure of staffing resources to handle new workload?	Please explain/quantify your response(s).
AK					ABP has not yet gone into effect
AR				X	Instinctively one would think that benefits and taxes would rise, but we do not have hard evidence at this point. An alternate base period unit consisting of a supervisor and 10 staff was created to address the ABP work load.
AZ					
CA			X		ABP has not yet gone into effect
CO				X	Colorado received an appropriation to hire two full-time equivalents to implement an alternative base period.
CT	X	X	X		
DC					The District of Columbia had the alternative base period prior to enactment of the UI Modernization incentives.
DE					ABP has not yet gone into effect
FL					
HI					Current UI law already provided for an alternate base period before the enactment of the ARRA.
IA				X	Response to ABP has been less then expected and it has worked well. Not a problem. 2 staff positions dedicated to the program. Worked well.
ID	X			X	
IL	X		X	X	
KY					
LA					
MA					
MD					
ME					Maine already had an alternative base period in place (since early 1990's).
MI					MI implemented an Alternative Base period in Oct 2000
MN			X		We have not yet had an opportunity to measure the increase in benefit payment or taxes.
MO					
MS					
MT			X	X	Staff time to contact employers and obtain lag quarter wages and to enter wages into system.
NC					
ND					
NE					
NH					
NJ					New Jersey had previously enacted legislation that allows Alternate Base Period eligibility when regular eligibility is not found.
NM					New Mexico had ABP before ARRA
NV	X		X	X	
NY					Already in effect
OH					Ohio had ABP before ARRA
OK					OK had ABP before ARRA
OR	X		X	X	Our overall benefit payments increased by one percent. We hired 15 FTE to handle the additional workload associated with processing ABY claims and one FTE for updating mainframe claims system.
PA					
PR					
RI					RI has had an Alternate Base Period for a number of years with no difficulties in implementation or on going administration
SC					
SD	X		X	X	SD estimated a limited number of alternative base period claims, 700 to 800 per year and a total increase in benefit payments of \$700,000.
TN					ABP has not yet gone into effect
TX					
UT					
VA					Virginia had ABP before ARRA
VT					
WA					WA had ABP before ARRA
WI					WI had ABP before ARRA
WV					The alternate base period is currently being implemented so we currently do not have measurable results.
WY					
TOTALS	6	1	8	9	13 states already had ABP before enactment of ARRA; 5 states said the ABP had not yet been implemented

APPENDIX R

If your State has received one-third of the UI Modernization incentive payments provided under the Recovery Act, what have those funds been used for?

State Agency	UI-IT modernization	Staffing Increases	Benefit Increases	Repayment of Federal Advances	Benefit Payments	Solvency	Tax Cuts	Reemployment Eligibility Assessments	Reemployment Services	Other (please specify)
AK										N/A
AR					X					Funds reserved for UI Admin. related to UI Mod.
AZ										
CA										California has not applied for these funds yet.
CO					X					
CT					X	X				
DC	X				X					The District of Columbia will be using these funds to complete a modernization of our UI-IT system and to make benefit payments.
DE					X					
FL										
HI						X				
IA					X	X				
ID					X					
IL					X					
KY										
LA										
MA					X	X				
MD										
ME							X	X		To reduce the extent of the UI tax increase that went into effect Jan 1, 2010. Without the modernization funds in total (all, not just 1/3), UI taxes would have increased from Schedule A to F instead of A to E. Saved employers approximately \$17 million in taxes that would have otherwise occurred.
MI	X	X								The funds have been appropriated for UI IT modernization and ongoing operations but have not yet been spent.
MN						X				
MO										
MS										
MT	X	X								
NC										
ND										
NE										
NH						X				
NJ						X				
NM	X	X							X	
NV					X					Nevada has experienced a 1% increase in the number of claims with the allowance of an ABP
NY	X	X			X					
OH	X	X			X					
OK						X				Not yet spent - still in Trust Fund
OR						X				Funds remain in UI Trust Fund and have not yet been expended.
PA										
PR										
RI										
SC										
SD					X	X				
TN					X					

If your State has received one-third of the UI Modernization incentive payments provided under the Recovery Act, what have those funds been used for?

State Agency	UI-IT modernization	Staffing Increases	Benefit Increases	Repayment of Federal Advances	Benefit Payments	Solvency	Tax Cuts	Reemployment Eligibility Assessments	Reemployment Services	Other (please specify)
TX										
UT										
VA					X					All funds have been expended to pay Benefit payments.
VT					X					
WA						X				Washington has not yet been given expenditure authority.
WI					X					
WV						X				None of the funds have been used to date
WY										
TOTAL	6	5	0	0	17	13	1	0	1	

APPENDIX S

If your State has enacted some of the additional provisions, have you seen any evidence that the implementation of the new provisions has led to: (If your State has not enacted any of the UI Modernization provisions, please skip these questions)

State Agency	An increase in overall benefit payments?	Increased employer taxes?	The expenditure of administrative funds to update computer systems?	The expenditure of staffing resources to handle the new workload?	Please explain/quantify your response(s).
AK					Still working on implementing some of the additional provisions.
AR					Instinctively one would think that benefits and taxes would rise, but we do not have hard evidence at this point.
AZ					
CA					
CO				X	Staffing resources were used to create new decisions to be used by the adjudicators. Staffing resources were used to create funds from which the benefits would be charged. Staffin resources were used to update adjudication procedures and contemplate rules.
CT		X			Unable to measure at this time. Any increase in benefit payments or employer taxes would not be significant
DC	X				Pending changes include an update to the computer system.
DE					Changes have not been implemented yet
FL					
HI					No changes in current law required.
IA	X			X	Training Extension cost \$2.4 million for 6 months because of EUC'08, as we pay training last. 4 positoins dedicated to ABP and TEB
ID			X	X	
IL	X		X	X	
KY					
LA					
MA			X	X	Implementation of approved trainig change from 18 week extension to 26 week extension was too recent to show effect on payments of taxes.
MD					
ME					Maine already had some level of all of the proposed modernization options although we did have to make minor changes to a couple to get the 2/3rds. We have not seen an increase in any of these areas as a result of the changes we made.
MI					
MN			X		
MO					
MS					
MT			X	X	
NC					
ND					
NE					
NH	X				
NJ					
NM			X	X	
NV	X			X	The Division believes benefit payments have increased with the new qualification parameters established within Nevada's policy regarding part-time work and quitting to take care of a sick family member, etc. However, the Division's current mainframe system does not differentiate the reason for the quit when entered into the system, and "dollar" amounts cannot be provided at this time.
NY	X	X			NY has enacted legislation consistant with previous case law.
OH					
OK	X				Very slight increase projected since we already paid part-time and all we had to do was make it law (rather than policy) and broaden definition of immediate family
OR					
PA					
PR					
RI					
SC					
SD					
TN					Will not implement until June 2010
TX					
UT					
VA					
VT					
WA	X		X		
WI	X		X	X	There has been at least some increase in benefit payments; to date it would be small.
WV					
WY					
TOTALS	9	2	8	9	3 states have not yet implemented the additional provisions; 2 states only needed to make minor adjustments to the previous state law.

APPENDIX T

If your State received two-thirds of the UI Modernization incentive payments provided under the Recovery Act, what have the funds been used for?

State Agency	UI-IT modernization	Staffing Increases	Benefit Increases	Repayment of Federal Advances	Benefit Payments	Solvency	Tax Cuts	Reemployment Eligibility Assessments	Reemployment Services	Other (please specify)
AK										
AR	X	X			X					Funds reserved for UI Admin. related to UI Mod.
AZ										
CA										
CO					X					
CT					X	X				
DC										
DE					X					
FL										
HI						X				
IA					X	X				
ID					X					
IL					X					
KY										
LA										
MA					X	X				
MD										
ME						X	X			To reduce the extent of the UI tax increase that went into effect Jan 1, 2010. Without the modernization funds in total (all, not just 2/3), UI taxes would have increased from Schedule A to F instead of A to E. Saved employers approximately \$17 million in taxes that would have otherwise occurred.
MI										
MN						X				
MO										
MS										
MT	X	X								
NC										
ND										
NE										
NH						X				
NJ						X				
NM										
NV					X					
NY	X	X			X					
OH										
OK						X				Not spent yet - still in Trust Fund
OR						X				Funds remain in UI Trust Fund and have not been expended.
PA										
PR										
RI										
SC										
SD										
TN					X					
TX										
UT										
VA										
VT										
WA										
WI					X					
WV										
WY										
TOTAL	3	3	0	0	12	10	1			

APPENDIX U

As a result of the UI Modernization funds provided in the Recovery Act, what technology upgrades (if any) is your state making to help better serve UI claimants? (check all that apply)

State Agency	Integrating and improving communication and/or data transfer of UI claimant data between the UI office and One-Stop or Wagner-Peyer MIS	Upgrading infrastructure (administrative system, case management and Internet access) to improve efficiency	Upgrading electronic claims processing	Upgrading adjudication systems	Upgrading Tax filing systems	Upgrading benefits systems	Other (please specify)
AK							
AR							
AZ							
CA							
CO							
CT		X	X		X	X	
DC			X	X	X	X	
DE							
FL							
HI							
IA	X	X	X			X	Rebuild UI computer system.
ID							
IL							
KY							
LA							
MA							
MD							
ME							No plans at this time until such time that employer UI taxes start coming back down. We plan to make technological upgrades and improvements using the ARRA special UI administrative funds instead.
MI							
MN							
MO							
MS							
MT			X	X		X	
NC							
ND							
NE							
NH		X	X	X		X	

As a result of the UI Modernization funds provided in the Recovery Act, what technology upgrades (if any) is your state making to help better serve UI claimants? (check all that apply)

State Agency	Integrating and improving communication and/or data transfer of UI claimant data between the UI office and One-Stop or Wagner-Peyer MIS	Upgrading infrastructure (administrative system, case management and Internet access) to improve efficiency	Upgrading electronic claims processing	Upgrading adjudication systems	Upgrading Tax filing systems	Upgrading benefits systems	Other (please specify)
NJ							
NM	X		X		X	X	
NV						X	
NY			X		X	X	
OH							
OK							Not yet specified
OR							We have upgraded our telephone claims system and are upgrading our adjudication system but have used SBRs and not ARRA funds.
PA							
PR							
RI							
SC							
SD							
TN							
TX							
UT							
VA							
VT							
WA							Washington does not yet have expenditure authority.
WI							
WV	X	X	X	X			Actions marked are in planning stages
WY							
TOTAL S	3	4	8	4	4	8	3 states indicated they have not yet specified the use of the funds.

APPENDIX V

State Agency	What have been the biggest challenges associated with the implementation of the UI provisions in the Recovery Act? Please explain the challenges in detail.
AK	
AR	The biggest challenge, by far, has been the additional reporting required by various state and federal agencies tracking the spending of the ARRA funding. This problem was compounded by the changing funding sources for the various federal UI programs.
AZ	
CA	The biggest challenges the EDD has encountered are related to programming, and includes the following: (1) programming changes are still being worked on for the employer "charge back" system to ensure that employers are not charged for the EB benefit costs since these are fully federally financed; (2) programming to enable the filing of Tier 3 and Tier 4 claims is anticipated to be completed early December 2009, and will be followed by the programming for the augmentation of the additional week to Tier 2; (3) the accounting changes required for the charging of the new claims to the federal Treasury general fund rather than the federal Extended Unemployment Compensation Account are still being programmed; (4) programming to enable the establishment of overpayments for the \$25 federal stimulus payments is still underway and will not be completed until January 2010; and (5) programming of the original EUC sunset date caused EUC claimants to be issued a one-week claim form instead of a two-week form. Consequently, now there is an uneven distribution of work between the weeks for processing payments with one week being substantially higher than the second week.
CO	The biggest challenges associated with the implementation of the UI provisions in the Recovery Act were: Lack of experienced staff to handle the increased workload volume Inadequate technology Managing public relations and claimant expectations Providing clear and concise program information to claimants due to the complexity involved Implementing information technology automation
CT	The biggest challenge was the accounting and reporting of the funds used.
DC	One of the biggest challenges for DC has been programming our outdated legacy system in order to pay benefits. The second biggest challenge associated with the Extended Benefits program has been the additional work search requirements, as it requires more manpower to verify the work search information provided by claimants.
DE	IT challenges Complexity of EUC--paying on older claim and newer claim
FL	1. Computer programming - we still have not been able to implement a process that would allow the same week of unemployment to be compensated from 2 different EUC Tiers. 2. Training - not enough trained staff to meet the new hire demand and maintain quality. 3. Call center capacity has tremendous difficulty in meeting public demand.
HI	Existing automated systems was not able to comply with the following provisions: 1) statistical reporting requirements for various Tiers required under the ARRA 2) addition of the FAC payment to each benefit payment 3) provide general revenue breakdown between ARRA and non-ARRA EUC payments
IA	We have been able to implement and meet the challenges. More questions about terms and conditions of training extension benefits.
ID	Using an antiquated system to implement non-traditional initiatives -- paying FAC without affecting existing entitlements and wage reduction. Our system was unable to handle these payments so they were made offline and later added to the check. Paying EUC on multiple sequences and having our system know which was the correct.
IL	Updating the computer systems and having staff to implement and handle the related issues.
KY	
LA	
MA	Challenge was changes in regulation needed to support change in approved training relative to the tolling of a state law provision requiring application for approved training in the first 15 weeks of a claim, and relative to end of benefit year application/enrollment regulatory provision.
MD	FAC was a major programming challenge. For Maryland, passing the UI modernization legislation has been a challenge.
ME	Timing of the passage of the Recovery Act and trying to get the new UI programs in place and paying given the changes to our technology systems that had to be accomplished first (also putting in place accurate reporting). We had to make major changes quickly without much time for testing in order to begin paying benefits under these new programs quickly. This raises the risk of errors and problems surfacing and affecting other areas of the system as these systems are very old and not flexible in adapting to change. Also a huge challenge was helping claimants (and our staff - most of which having just been hired without knowledge of UI) understand the new programs and be effective in navigating through them; understanding the differences between the federal programs and state UI in terms of eligibility and benefit amount differences, and just trying to ensure that people were able to transition accurately between programs and EUC tiers using the right BYEs. In general, ensuring that people were able to access all benefits that were possibly available to them. Very complicated even for experienced staff to understand, much less our claimants or new staff. EB work search requirements both for claimants and administratively also added huge

State Agency	What have been the biggest challenges associated with the implementation of the UI provisions in the Recovery Act? Please explain the challenges in detail.
MI	The following are the challenges: Short notice to implement; Delayed detailed instructions from USDOL; Implementing FAC; Creating multiple programs; Tag ends; Explaining all the programs and details to claimants; Work Search for EB; Adding the extra week on Teir 2 (50%-54%); Checking for new claim each quarter and having to move payments around; Multiple EUC for claimants that filed multiple claims.
MN	MN appreciates the availability of additional benefits to assist its unemployed workforce. Simply paying the benefits would have been a challenge, but the complexity of them when taken together has created greater risk for error in program administration, delays in implementation, and confusion and increased anxiety for claimants. Notable examples are: -- FAC payments that are entirely unlike any other part of the UI program -- The need to pay applicants from more than one program for the same week -- The need to account for separate funding sources for each extension -- The need to pay extended benefits based on a previous claim prior to paying benefits based on the most recently exhausted claim. -- EUC Tier II 14th week is essentially a one week extension
MO	The biggest challenge associated with the implementation of the UI provisions contained in the Recovery Act has been programming changes to our legacy computer system. Our legacy UI computer system consists of a combination of ancillary systems that have been developed over a 40-year period. Law changes and/or UI program changes are not easily implemented. Often computer programming changes in one area have an unknown effect on other areas of the computer system and are not identified until a later date.
MS	
MT	Getting the work completed while experiencing the highest levels of unemployment in decades and the implementing the various EUC tiers at the same time. Demand on staff time to implement changes versus time spent to assist customers and train new UI staff is "wearing out" our experienced staff.
NC	Implementing EUC
ND	All of the computer programming changes have been a challenge. Also, the tracking and reporting of overpayments has been difficult.
NE	
NH	The biggest challenge is reporting on the different EUC Tiers that are either ARRA funded or general funded. Another challenge was quickly spending the monies as we need to work through State fiscal processes and receive approvals to spend and appropriate these monies.
NJ	Programming for the EUC Tiers and establishing the FAC payment program. New Jersey had not previously paid more than three extensions at the same time. With the four EUC programs (including the increases) and the EB program, the IT resources and the aging computer system was severely stressed. We continue to have some system problems that must be manually adjusted by staff, but all and all New Jersey was able to pay benefits on all of these programs with minimal delays. There are some lingering problems with the FAC payments, withholding of federal taxes and reissuance of returned checks, but we continue to upgrade these processes.
NM	
NV	Nevada faced several challenges while implementaing the UI provisions in the Recovery Act. Nevada has an antiquated mainframe system in which it creates claims and pays benefits. The Alternate Base Period (ABP), State Extended Benefits (SEB) with the 100% reimbursement, Federal Additional Compensation (FAC), and the Emergency Unemployment Compensation (EUC) programs were not incorporated or part of Nevada's mainframe system. The Division's programmers and business analysts were required to start from "scratch" to write business rules, logic, and develop processes to initiate payment of benefits. The FAC payments are made outside of the mainframe system, which made it impossble to reflect FAC overpayments within the mainframe system. The Division was required to utilize other methods/databases to record, recover and offset FAC overpayments outside of the mainframe sysstem. With the extension of the dates of EUC benefits, the Division was faced with the challenge of extending the expiration dates of EUC claims beyond one year. The Division chose to create a new claim when an EUC claim was established. As the length of time was extended allowing an individual to receive EUC benefits, the initial EUC claims established in July of 2008 required the end date to be extended until July of 2010. All EUC claims are now created with a two year end date, with plans to extend the dates on all EUC claims out to three years. Another challenge the Division faced, was hiring sufficient staff to handle the increase workload and to ensure new staff was properly trained regarding the implementation of law changes, claim types, and policy changes. As the Division changed its' laws and expanded provisions to pay benefits to more individuals, the workload increased for programmers, analysts, adjudicators, appeals referees, and claims examiners. To ensure benefits were being paid properly, frequent and intensive training had to be developed and executed.
NY	Making the necessary programming changes to old systems and providing the claimants with updated information on EUC Tiers, EB and FAC.
OH	The biggest challange was the computer programming required for the systems. The work had to be done on a very short time-table and frequently required detailed logic changes and multiple screen changes. The multiple tiers of EUC played havoc with the system performance.
OK	extra week of tier 2 - augmenting weeks in EUC

State Agency	What have been the biggest challenges associated with the implementation of the UI provisions in the Recovery Act? Please explain the challenges in detail.
OR	We have had no particular challenges outside of slow movement of Congress on EUC extensions. There inability to complete legislation to extend EUC in a timely (before prior law sunset or nearly sunset) has created a substantial amount of work in our UI Call Centers answering inquiries from concerned and panicked UI beneficiaries. In closing, it should be noted that Oregon made long term commitments to unemployed Oregonians through UI Modernization legislation. We have made additional long term commitments to serving this same population more efficiently through upgrading systems with SBR funds. We are saving our portion of the ARRA UI Modernization funds, both administrative (\$500 million) and program funds for the long term as UI grant and other UI administrative funds <i>become less identifiable</i>
PA	Short-term versus long-term impact to solvency
PR	Our biggest challenge is in our programming area. We have to deal with problems in our programming. In order to make FAC payments in a timely manner, takes a lot of time and testing to make new screens and changes.
RI	The biggest challenge has been implementing all these tiers, and the different funding sources within each tier which required opening up new fields and program codes on our databases. All of required changes has financially helped the claimant the economy and is very needed, however time spent on this has prevented IT from implementing solutions to process claims more timely.
SC	Programming changes
SD	Implementing EUC and FAC quickly was a challenge due to the already high recession level claims work load. We also found reporting a challenge due to the Federal requirements to track all of these special programs and their extensions separately. This coupled with an increased work load made reporting accurately during the early months problematic. Federal requirements on the handling of FAC and EUC overpayment causes manual work which will continue for many years.
TN	Programming of old legacy systems.
TX	Programming the multiple Tier benefits.
UT	
VA	The automated system programming requirements to implement FAC. The programming of the over payments associated with FAC and financial tracking was very complex. Our system is 24 years old and uses COBAL language. Many programs were modified to enable the weekly \$25 payments to be issued. It took us 10 weeks to complete the programming.
VT	Revamping the Training Approval process.
WA	Washington's existing unemployment insurance tax and benefit computer systems are outdated. They are extremely difficult and expensive to modify. Changes take months to program and test. Technology has clearly been the greatest challenge. Training staff on new requirements and processes in a short period of time was also challenging. Implementation must also be seen in light of the overwhelming workload brought on by the recession itself. Making changes during an all-time high in demand for UI services was difficult.
WI	The largest challenges have related to the programming necessary to implement FAC, particularly as it relates to overpayments. In addition, operating so many programs has posed operational challenges to an already highly complex system. The programming and program design for the Extended Training program has also consumed many resources.
WV	(1) Implementation of the programming necessary to accomplish the provisions with limited IT programming staff (2) Educating local office personnel about the changes with such a substantial workload at this time (3) Educating the claimants about the changes and eligibility requirements as they apply to our particular state when much of the media coverage is either incomplete or inaccurate
WY	FAC overpayments. Charging EUC to correct funding streams due to changes in TIERS.
TOTALS	25 states said IT and Computer Programming issues; 7 states said Accounting and Reporting issues; 8 states said General Implementation/Lack of Federal Assistance issues