

# Compendium of Budget Information for the 2014 General Session

## Social Services Appropriations Subcommittee

### Agency: Workforce Services

### Line Item: Unemployment Insurance

#### ***Function***

The Unemployment Insurance (UI) Program was created as part of the federal *Social Security Act of 1935*. The program is operated by each state in coordination with the federal government. The Department of Workforce Services operates this program for the State of Utah.

According to statute, the program collects employer contributions for deposit in a restricted account, determines eligibility, and pays weekly benefits from the restricted account to unemployed workers. Administrative costs are federally funded.

The Unemployment Insurance line item contains the administrative piece of the program, whereas the Unemployment Compensation Fund line item contains only the amount carried in the Unemployment Restricted Account appropriated to pay benefits.

#### ***Statutory Authority***

Authority to conduct the Unemployment Insurance Program in Utah is found in UCA 35A-4, Employment Security Act.

#### ***Intent Language***

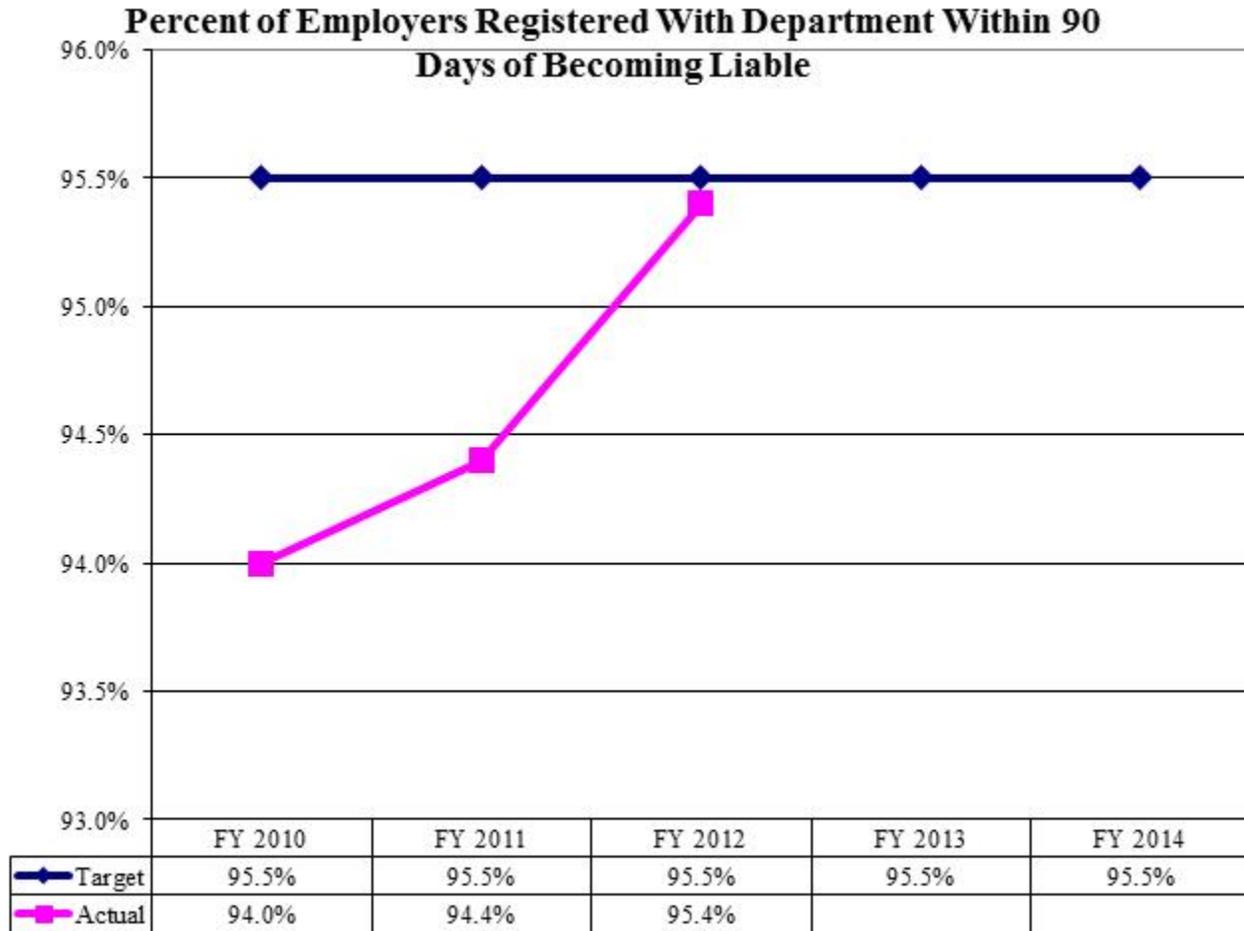
During the 2013 General Session, the Legislature approved the following intent language for the Unemployment Insurance line item:

*Under Section 63J-1-603 of the Utah Code the Legislature intends that up to \$60,000 of the appropriations provided for the Unemployment Insurance line item in Item 15 of Chapter 14 Laws of Utah 2012 not lapse at the close of Fiscal Year 2013. The use of any nonlapsing funds is limited to computer equipment/software and one-time projects associated with addressing appeals or public assistance overpayment caseload growth.*

*All General Funds appropriated to the Department of Workforce Services - Unemployment Insurance line item are contingent upon expenditures from Federal Funds - American Recovery and Reinvestment Act (H.R. 1, 111th United States Congress) not exceeding amounts appropriated from Federal Funds - American Recovery and Reinvestment Act in all appropriation bills passed for FY 2014. If expenditures in the Unemployment Insurance line item from Federal Funds - American Recovery and Reinvestment Act exceed amounts appropriated to the Unemployment Insurance line item from Federal Funds -*

American Recovery and Reinvestment Act in FY 2014, the Division of Finance shall reduce the General Fund allocations to the Unemployment Insurance line item by one dollar for every one dollar in Federal Funds - American Recovery and Reinvestment Act expenditures that exceed Federal Funds - American Recovery and Reinvestment Act appropriations.

**Performance**



### Percent of Employers Filing Timely Contribution Reports



#### Funding Detail

For analysis of current budget requests and discussion of issues related to this budget click [here](#).

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp

General Fund	\$563,600	\$536,200	\$0	\$536,200	\$12,500	\$548,700
General Fund, One-time	(\$39,000)	\$0	\$1,800	\$1,800	\$2,000	\$3,800
Federal Funds	\$18,201,800	\$21,122,100	(\$763,700)	\$20,358,400	\$1,653,000	\$22,011,400
American Recovery and Reinvestment Act	\$4,900	\$400	\$0	\$400	(\$400)	\$0
Dedicated Credits Revenue	\$285,600	\$408,600	\$1,700	\$410,300	\$7,900	\$418,200
GFR - Special Administrative Expense	\$287,500	\$1,205,300	\$0	\$1,205,300	\$794,700	\$2,000,000
Unemployment Compensation Fund	\$0	\$0	\$500,000	\$500,000	(\$200,000)	\$300,000
Transfers - Medicaid	\$142,600	\$115,100	\$104,100	\$219,200	\$6,600	\$225,800
Beginning Nonlapsing	\$55,000	\$0	\$0	\$0	\$0	\$0
Closing Nonlapsing	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$19,502,000</b>	<b>\$23,387,700</b>	<b>(\$156,100)</b>	<b>\$23,231,600</b>	<b>\$2,276,300</b>	<b>\$25,507,900</b>

Programs	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Unemployment Insurance Administration	\$16,482,700	\$20,282,500	(\$341,100)	\$19,941,400	\$2,199,600	\$22,141,000
Adjudication	\$3,019,300	\$3,105,200	\$185,000	\$3,290,200	\$76,700	\$3,366,900
<b>Total</b>	<b>\$19,502,000</b>	<b>\$23,387,700</b>	<b>(\$156,100)</b>	<b>\$23,231,600</b>	<b>\$2,276,300</b>	<b>\$25,507,900</b>

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$17,272,700	\$19,499,000	(\$494,900)	\$19,004,100	\$479,900	\$19,484,000
In-state Travel	\$11,900	\$51,900	(\$5,600)	\$46,300	\$0	\$46,300
Out-of-state Travel	\$25,500	\$49,100	(\$3,500)	\$45,600	\$0	\$45,600
Current Expense	\$2,031,900	\$2,919,800	\$1,017,600	\$3,937,400	\$1,796,400	\$5,733,800
DP Current Expense	\$160,000	\$336,900	(\$138,700)	\$198,200	\$0	\$198,200
DP Capital Outlay	\$0	\$531,000	(\$531,000)	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0	\$0	\$0

Total	\$19,502,000	\$23,387,700	(\$156,100)	\$23,231,600	\$2,276,300	\$25,507,900
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Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	300	279	(19)	261	0	261
Actual FTE	253	0	0	0	0	0
Vehicles	1	1	0	1	0	1

**Program: Unemployment Insurance Administration**

**Function**

The Unemployment Insurance (UI) Program was created as part of the federal Social Security Act of 1935. The program is operated by each state in coordination with the federal government. The Department of Workforce Services operates this program for the State of Utah.

According to statute, the program collects employer contributions for deposit in a restricted account, determines eligibility, and pays weekly benefits from the restricted account to unemployed workers. Administrative costs are federally funded.

During the 2010 General Session the Legislature created two separate line items: 1) Unemployment Insurance and 2) Unemployment Compensation Fund. The Unemployment Insurance line item contains the administrative piece of the UI program and the Adjudication program. The Unemployment Compensation Fund line item contains only the amount in the Unemployment Restricted Account appropriated to pay benefits.

**Funding Detail**

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$320,300	\$418,500	\$0	\$418,500	\$10,300	\$428,800
General Fund, One-time	\$0	\$0	\$1,500	\$1,500	\$1,700	\$3,200
Federal Funds	\$15,441,400	\$18,152,300	(\$854,800)	\$17,297,500	\$1,581,300	\$18,878,800
American Recovery and Reinvestment Act	\$4,800	\$400	\$0	\$400	(\$400)	\$0

Dedicated Credits Revenue	\$284,100	\$408,600	\$1,000	\$409,600	\$7,900	\$417,500
GFR - Special Administrative Expense	\$287,500	\$1,205,300	\$0	\$1,205,300	\$794,700	\$2,000,000
Unemployment Compensation Fund	\$0	\$0	\$500,000	\$500,000	(\$200,000)	\$300,000
Transfers - Medicaid	\$89,600	\$97,400	\$11,200	\$108,600	\$4,100	\$112,700
Beginning Nonlapsing	\$55,000	\$0	\$0	\$0	\$0	\$0
Closing Nonlapsing	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$16,482,700</b>	<b>\$20,282,500</b>	<b>(\$341,100)</b>	<b>\$19,941,400</b>	<b>\$2,199,600</b>	<b>\$22,141,000</b>

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$14,489,700	\$16,797,700	(\$694,000)	\$16,103,700	\$403,200	\$16,506,900
In-state Travel	\$11,500	\$50,900	(\$5,600)	\$45,300	\$0	\$45,300
Out-of-state Travel	\$20,000	\$34,100	\$0	\$34,100	\$0	\$34,100
Current Expense	\$1,813,100	\$2,535,200	\$1,038,700	\$3,573,900	\$1,796,400	\$5,370,300
DP Current Expense	\$148,400	\$333,600	(\$149,200)	\$184,400	\$0	\$184,400
DP Capital Outlay	\$0	\$531,000	(\$531,000)	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$16,482,700</b>	<b>\$20,282,500</b>	<b>(\$341,100)</b>	<b>\$19,941,400</b>	<b>\$2,199,600</b>	<b>\$22,141,000</b>

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	255	242	(16)	227	0	227
Actual FTE	221	0	0	0	0	0
Vehicles	1	1	0	1	0	1

**Program: Adjudication**

**Function**

The Adjudication/Legal unit provides hearings on unemployment insurance claims and public assistance payment disputes, as well as the appeals of such hearings. The department is statutorily obligated to provide an adjudication process for unemployment and public assistance programs. The program also assists the department by offering guidance on legal matters such as contracts, insurance, and personnel.

**Funding Detail**

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$243,300	\$117,700	\$0	\$117,700	\$2,200	\$119,900
General Fund, One-time	(\$39,000)	\$0	\$300	\$300	\$300	\$600
Federal Funds	\$2,760,400	\$2,969,800	\$91,100	\$3,060,900	\$71,700	\$3,132,600
American Recovery and Reinvestment Act	\$100	\$0	\$0	\$0	\$0	\$0
Dedicated Credits Revenue	\$1,500	\$0	\$700	\$700	\$0	\$700
Transfers - Medicaid	\$53,000	\$17,700	\$92,900	\$110,600	\$2,500	\$113,100
<b>Total</b>	<b>\$3,019,300</b>	<b>\$3,105,200</b>	<b>\$185,000</b>	<b>\$3,290,200</b>	<b>\$76,700</b>	<b>\$3,366,900</b>

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$2,783,000	\$2,701,300	\$199,100	\$2,900,400	\$76,700	\$2,977,100
In-state Travel	\$400	\$1,000	\$0	\$1,000	\$0	\$1,000
Out-of-state Travel	\$5,500	\$15,000	(\$3,500)	\$11,500	\$0	\$11,500
Current Expense	\$218,800	\$384,600	(\$21,100)	\$363,500	\$0	\$363,500
DP Current Expense	\$11,600	\$3,300	\$10,500	\$13,800	\$0	\$13,800
<b>Total</b>	<b>\$3,019,300</b>	<b>\$3,105,200</b>	<b>\$185,000</b>	<b>\$3,290,200</b>	<b>\$76,700</b>	<b>\$3,366,900</b>

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
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Budgeted FTE	45	37	(3)	34	0	34
Actual FTE	32	0	0	0	0	0

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.