

Governor's Workforce Board RI
Rhode Island Employment Security Advisory Council (ESAC)
November 24, 2009

Meeting Minutes

Committee Members present: Roland Benjamin, Paul MacDonald, William McGowan, Sandra Powell, Nancy Roderick

Committee Members absent: The Honorable Arthur J. Corvese, The Honorable Paul W. Fogarty, J. Michael Saul

Others Present: Michael Cronan, Phil D'Ambra, Raymond Filippone, Robert Langlais, Rosemarie Lemoine, Valentino Lombardi, John O'Hare, Donna Murray, Lori Norris, Janet Raymond, Laura Hart, Jason Bliss-Wohlens, Paul Harden, Russ Danecker, Michael Hayes, Diane Gagne, Fred Sneesby, Robert Kalaskowski, Representative from Ocean State Policy Research Institute, Maureen Mooney

Call to Order

Chair McGowan called the meeting to order at 8:35 a.m. and welcomed everyone to the meeting.

Minutes of ESAC meeting

Chair McGowan asked for a review of the meeting minutes of the 11/3/09 ESAC. He asked for a motion to approve the meeting minutes.

Vote: N. Roderick motioned to approve the minutes of the 11/3/09 ESAC meeting as presented. S. Powell seconded the motion. The vote was unanimous; the motion passed.

Unemployment Insurance (UI) Presentation

Council member Roland Benjamin presented information on Unemployment Insurance: Statute, Policy and an Employer Perspective. His presentation focused on the impact of UI insurance claims and taxes on the employer and his view on how both affect the Employment Security Trust Fund balance. He offered that new hiring is deterred by the current UI structure and further inhibits an increase in receipts to balance the Trust Fund. He suggested that a plan to focus on claims policy rather than tax policy would be beneficial and that the Council would be able to respond more quickly to the claims side of the Trust Fund equation. He proposed that a sole focus on the tax side could have an offsetting job loss cost which could possibly exceed any receipt increase and may drive the "jobless recovery".

Chair McGowan acknowledged the important perspective provided by R. Benjamin and thanked him for his work on the presentation. A discussion followed. Director Powell commented that initially the focus for the ESAC has been on UI taxes and benefits, interest payments and loans. She acknowledged the importance of reviewing the claim side as well and indicated it could an item of discussion at a future ESAC meeting. She pointed out that there is an enormous pressure on the Department to serve those in need due to the unprecedented economic times. She also addressed the claims process and the complexity of the UI system. Several Federal and State statutory requirements were mentioned. Director Powell acknowledged the

importance of the presentation and noted that it raised other issues that could possibly be addressed in the upcoming legislative session.

UI Modernization Options

R. Langlais provided a copy of the handout: *UI Modernization Incentive Payments – Approved Applications* to attendees. This handout provides information on the various states that have approved applications for UI Modernization Incentive Payments and the provisions that will be included in state law.

A handout entitled: “Comparison of Dependents’ Allowances at Various Weekly Benefit Amounts” was provided to attendees. This handout provides a comparison of the Current Dependent Allowance Law vs. a Proposed Dependent Allowance.

Chair McGowan noted that this agenda item will be discussed further at the next ESAC meeting and that no vote would be taken at the meeting today.

Interest Payment Options

Chair McGowan noted that this agenda item will be discussed further at the next ESAC meeting and that no vote would be taken at the meeting today.

Other Business

Director Powell mentioned that it has been difficult for two members of the Council to attend, specifically the two members who are in the State Legislature. She indicated that it is planned to have a meeting at the State House after hours to include Dr. Corvese and Senator Fogarty in ESAC business, noting it is important to have their input before any vote is taken.

Chair McGowan noted that at the next ESAC meeting on December 8, 2009 a specific date will be offered.

Adjournment

With no further business Chair McGowan asked for a motion to adjourn the meeting.

VOTE: N. Roderick moved to approve. S. Powell seconded the motion.
The vote was unanimous, the motion passed.

The meeting adjourned at 10:00 a.m.

Respectfully submitted,

Maureen Mooney