



ADMINISTRATIVE OFFICE
 45 SOUTH FRUIT STREET
 CONCORD, NH 03301-4857



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GEORGE N. COPADIS, COMMISSIONER
 RICHARD J. LAVERS, DEPUTY COMMISSIONER

April 16, 2020

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court, and

His Excellency, Governor Christopher T. Sununu
 And the Honorable Council
 State House
 Concord, NH 03301

INFORMATIONAL ITEM

Pursuant to RSA 21-P:43, RSA 4:45, RSA 4:47, and Executive Order 2020-04, Governor Sununu has authorized New Hampshire Employment Security (NHES) to accept and expend \$4,472,551 in federal funds from the United States Department of Labor – Employment and Training Administration (USDOL-ETA) for the purpose of administering the Unemployment Insurance (UI) program, and has authorized NHES to establish additional part-time positions in expenditure class 050 - Personal Services-Temporary, for the purpose of supporting the unprecedented increase in unemployment claims volume, effective from the date of the Governor's approval through June 30, 2021. 100% Federal Funds.

Funding has been budgeted as follows:

02-027-027-270010-80400000 Employment Security			SFY 2020		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
000	404625	FEDERAL FUNDS	(\$23,912,187)	(\$4,472,551)	(\$28,384,738)
001	484922	TRANSFERS FROM OTHER AGENCY	(\$1,342,466)		(\$1,342,466)
003	407549	REVOLVING FUNDS	(\$3,204,774)		(\$3,204,774)
009	402338	AGENCY INCOME	(\$3,952,978)		(\$3,952,978)
TOTAL REVENUE:			(\$32,412,405)	(\$4,472,551)	(\$36,884,956)
010	500100	PERSONAL SERVICES PERM CLAS	\$9,003,030		\$9,003,030
011	500126	PERSONAL SERVICES UNCLASSIF	\$311,969		\$311,969
012	500128	PERSONAL SERVICES UNCLASSIF	\$132,694		\$132,694
013	500131	PERSONAL SERVICES UNCLASSIF	\$431,123		\$431,123
018	500106	OVERTIME	\$379,689	\$2,362,989	\$2,742,678
019	500105	HOLIDAY PAY	\$7,276		\$7,276
020	500200	CURRENT EXPENSES	\$870,474	\$850,000	\$1,720,474
022	500248	RENTS-LEASES OTHER THAN STA	\$986,784		\$986,784
023	500291	HEAT ELECTRICITY WATER	\$540,294		\$540,294
024	500225	MAINT OTHER THAN BUILD-GRN	\$331,138		\$331,138
026	500251	ORGANIZATIONAL DUES	\$20,018		\$20,018
027	582703	TRANSFERS TO DOIT	\$5,276,972	\$62,644	\$5,339,616
028	582814	TRANSFERS TO GENERAL SERVIC	\$25,003		\$25,003

02-027-027-270010-80400000 Employment Security			SFY 2020		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
030	500331	EQUIPMENT NEW REPLACEMENT	\$46,580		\$46,580
035	509035	SHARED SERVICES SUPPORT	\$1		\$1
037	500174	TECHNOLOGY-HARDWARE	\$193,618	\$315,000	\$508,618
038	509038	TECHNOLOGY-SOFTWARE	\$1,572,908		\$1,572,908
039	500188	TELECOMMUNICATIONS	\$576,457		\$576,457
040	500800	INDIRECT COSTS	\$314,342	\$26,835	\$341,177
041	500801	AUDIT FUND SET ASIDE	\$44,820	\$4,473	\$49,293
042	500620	ADDITIONAL FRINGE BENEFITS	\$1,042,803	\$249,498	\$1,292,301
046	500460	CONSULTANTS	\$102,891		\$102,891
047	500240	OWN FORCES MAINT BUILD-GRN	\$16,500		\$16,500
048	500226	CONTRACTUAL MAINT BUILD-GRN	\$564,077		\$564,077
049	584995	TRANSFER TO OTHER STATE AGE	\$142,859		\$142,859
050	500109	PERSONAL SERVICE TEMP APPOI	\$1,339,932	\$137,877	\$1,477,809
057	500531	BOOKS PERIODICALS SUBSCRIPT	\$49,624		\$49,624
059	500117	TEMP FULL TIME	\$765,834		\$765,834
060	500601	BENEFITS	\$5,874,041	\$463,235	\$6,337,276
061	500536	UNEMPLOYMENT COMPENSATION	\$185,946		\$185,946
062	500538	WORKERS COMPENSATION	\$316,131		\$316,131
065	500542	BOARD EXPENSES	\$20,564		\$20,564
066	500544	EMPLOYEE TRAINING	\$26,950		\$26,950
070	500700	IN STATE TRAVEL REIMBURSEME	\$143,440		\$143,440
080	500710	OUT OF STATE TRAVEL REIMB	\$63,779		\$63,779
102	500731	CONTRACTS FOR PROGRAM SERVI	\$212,296		\$212,296
103	500740	CONTRACTS FOR OP SERVICES	\$399,446		\$399,446
211	501530	CATASTROPHIC CASUALTY INS	\$3,391		\$3,391
229	500764	SHERIFF REIMBURSEMENT	\$24,109		\$24,109
230	500765	INTERPRETER SERVICE	\$52,602		\$52,602
TOTAL EXPENDITURES:			\$32,412,405	\$4,472,551	\$36,884,956

EXPLANATION

The accepted funds are from the United States Department of Labor – Employment and Training Administration (USDOL-ETA) for the purpose of administering the Unemployment Insurance (UI) program in response to the Coronavirus Disease 2019 (COVID-19). Pursuant to the Families First Coronavirus Response Act, Public Law (Pub. L.) 116-127, specifically Division D, the Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA), USDOL-ETA released a total of \$1,000,000,000 in emergency grants to states for administration of each state’s unemployment compensation law.

The funding will be used to support the increase in staffing-related costs due to expanded hours at NHES as well as to upgrade system hardware necessary in response to the unprecedented volume of unemployment claims seen in New Hampshire.

The funds have been budgeted in the following classes:

Class 020 Current Expenses will be used to support the drastic increase in cost of postage, check stock, ink and paper products resulting from the unprecedented volume of unemployment claims.

Class 018 Overtime will be used to support the cost of staff working beyond the normal workday both assisting with claims-related activities and providing much needed coverage during expanded hours of operation at NHES.

Class 027 Transfer to DoIT will be used to support the costs associated with overtime hours worked by NHES DoIT embedded staff.

Class 037 Technology - Hardware will be used to procure necessary Storage Area Network (SAN) 550 units to improve the performance of the New Hampshire Unemployment Insurance System (NHUIS).

Class 040 Indirect Costs will be used to cover indirect costs incurred.

Class 042 Audit Fee Set Aside will be used to support audit cost per state requirements.

Class 042 Additional Fringe Benefits will be used to cover anticipated additional fringe benefits costs incurred due to overtime hours worked.

Class 050 Personal Services will be used to support the cost of additional part-time staff as well as existing part-time staff working beyond their normal scheduled hours both assisting with claims-related activities and providing much needed coverage during expanded hours of operation at NHES.

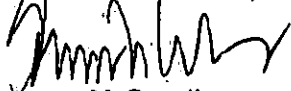
Class 060 Benefits will be used to cover the cost of benefits associated with the additional hours being worked by NHES staff both assisting with claims-related activities and providing much needed coverage during expanded hours of operation at NHES.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

- 1) List of personnel involved: Due to the unprecedented increase in claims volume, all NHES staff are supporting the COVID-19 response effort. NHES may also need to create additional positions to assist with workloads.
- 2) Nature, Need, and Duration: To assist with the unprecedented volume of unemployment claims during the COVID-19 crisis.
- 3) Relationship to existing agency programs: These funds are related to our existing Unemployment Insurance program.
- 4) Has a similar program been requested of the legislature and denied? No.
- 5) Why wasn't funding included in the agency's budget request? NHES could not have forecasted or budgeted for the circumstances surrounding the COVID-19 crisis.
- 6) Can portions of the grant funds be utilized? Based on the volume of current claims and estimated future claims, NHES anticipates the entire grant will be necessary.
- 7) Estimate the funds required to continue this position(s): The increase in staffing costs will continue as long as the increased workloads resulting from COVID-19 related shutdowns continue.

There are no General Funds required with this request. In the event that these funds become no longer available, General funds will not be requested to support these expenditures.

Respectfully submitted,



George N. Copadis
Commissioner