



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



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

July 8, 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, as extended by Executive Orders 2020-05, 2020-08, 2020-09, 2020-10 and 2020-14, Governor Sununu has authorized New Hampshire Employment Security (NHES) to accept and expend \$3,560,300 in federal funds from the United States Department of Labor – Employment and Training Administration (USDOL-ETA) for the purpose of developing and implementing system modifications necessary to administer the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 Federal Pandemic Unemployment Compensation, Pandemic Emergency Unemployment Compensation and Pandemic Unemployment Assistance programs through June 30, 2021. 100% Federal Funds.

Funding has been budgeted as follows:

02-027-027-270010-80400000 Employment Security			SFY 2021		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
000	404625	FEDERAL FUNDS	(\$20,606,414)	(\$3,560,300)	(\$24,166,714)
001	484922	TRANSFERS FROM OTHER AGENCY	(\$895,757)		(\$895,757)
003	407549	REVOLVING FUNDS	(\$11,653,298)		(\$11,653,298)
009	402338	AGENCY INCOME	(\$598,276)		(\$598,276)
TOTAL REVENUE:			(\$33,753,745)	(\$3,560,300)	(\$37,314,045)
010	500100	PERSONAL SERVICES PERM CLAS	\$13,320,158		\$13,320,158
011	500126	PERSONAL SERVICES UNCLASSIF	\$232,480		\$232,480
012	500128	PERSONAL SERVICES UNCLASSIF	\$108,451		\$108,451
013	500131	PERSONAL SERVICES UNCLASSIF	\$346,032		\$346,032
018	500106	OVERTIME	\$25,000		\$25,000
019	500105	HOLIDAY PAY	\$499		\$499
020	500200	CURRENT EXPENSES	\$453,697		\$453,697
022	500248	RENTS-LEASES OTHER THAN STA	\$378,659		\$378,659
023	500291	HEAT ELECTRICITY WATER	\$388,681		\$388,681
024	500225	MAINT OTHER THAN BUILD-GRN	\$99,559		\$99,559
026	500251	ORGANIZATIONAL DUES	\$25,500		\$25,500
027	582703	TRANSFERS TO DOI	\$4,713,939		\$4,713,939
028	582814	TRANSFERS TO GENERAL SERVIC	\$1		\$1

02-027-027-270010-80400000 Employment Security			SFY 2021		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
030	500331	EQUIPMENT NEW REPLACEMENT	\$6,906		\$6,906
037	500174	TECHNOLOGY-HARDWARE	\$35,500		\$35,500
038	509038	TECHNOLOGY-SOFTWARE	\$2,508,500	\$3,560,300	\$6,068,800
039	500188	TELECOMMUNICATIONS	\$409,380		\$409,380
040	500800	INDIRECT COSTS	\$279,575		\$279,575
041	500801	AUDIT FUND SET ASIDE	\$18,420		\$18,420
042	500620	ADDITIONAL FRINGE BENEFITS	\$759,817		\$759,817
046	500460	CONSULTANTS	\$4,000		\$4,000
047	500240	OWN FORCES MAINT BUILD-GRN	\$9,210		\$9,210
048	500226	CONTRACTUAL MAINT BUILD-GRN	\$282,288		\$282,288
049	584995	TRANSFER TO OTHER STATE AGE	\$9,104		\$9,104
050	500109	PERSONAL SERVICE TEMP APPOI	\$707,078		\$707,078
057	500531	BOOKS PERIODICALS SUBSCRIPT	\$11,300		\$11,300
059	500117	TEMP FULL TIME	\$255,307		\$255,307
060	500601	BENEFITS	\$7,825,519		\$7,825,519
061	500536	UNEMPLOYMENT COMPENSATION	\$20,000		\$20,000
062	500538	WORKERS COMPENSATION	\$125,000		\$125,000
065	500542	BOARD EXPENSES	\$15,000		\$15,000
066	500544	EMPLOYEE TRAINING	\$6,907		\$6,907
070	500700	IN STATE TRAVEL REIMBURSEME	\$84,900		\$84,900
080	500710	OUT OF STATE TRAVEL REIMB	\$37,000		\$37,000
102	500731	CONTRACTS FOR PROGRAM SERVI	\$125,000		\$125,000
103	500740	CONTRACTS FOR OP SERVICES	\$100,848		\$100,848
211	501530	CATASTROPHIC CASUALTY INS	\$3,373		\$3,373
229	500764	SHERIFF REIMBURSEMENT	\$5,500		\$5,500
230	500765	INTERPRETER SERVICE	\$15,657		\$15,657
TOTAL EXPENDITURES:			\$33,753,745	\$3,560,300	\$37,314,045

EXPLANATION

The accepted funds are from the United States Department of Labor – Employment and Training Administration (USDOL-ETA) for the purpose of developing and implementing system modifications necessary to administer the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 Federal Pandemic Unemployment Compensation, Pandemic Emergency Unemployment Compensation and Pandemic Unemployment Assistance programs through June 30, 2021.

Section 2104 of the CARES Act of 2020 provides for a temporary emergency increase in unemployment compensation (UC) benefits, referred to as the Federal Pandemic Unemployment Compensation (FPUC) program. This program provides an eligible individual with \$600 per week in addition to the weekly benefit amount he or she receives from certain other UC programs. The additional \$600 payments to eligible individuals each week is 100% federally funded.

Section 2102 of the CARES Act of 2020 provides for additional unemployment assistance to those individuals not eligible under the state UC program. This program is referred to as the Pandemic Unemployment Assistance (PUA) program and

provides an individual not eligible for state UC with a minimum of \$168 and a maximum of \$427 weekly benefit amount. The PUA program is 100% federally funded.

Section 2107 of the CARES Act of 2020 provides an additional 13 weeks of unemployment benefits to those eligible individuals who may exhaust their state UC program benefits. This program is referred to as the Pandemic Emergency Unemployment Compensation (PEUC) program and provides an individual who has exhausted all other benefits with an additional 13 weeks of benefits. The PEUC program is 100% federally funded.

USDOL-ETA made additional federal funding available to state workforce agencies for the implementation of these new programs. USDOL-ETA offered the additional funding in the form of supplemental budget requests. NHES submitted the necessary applications and was approved for the supplemental funding to support the system modifications necessary to administer the new programs.

The supplemental funds authorized provide for the development and implementation of the system code required to make the additional benefit payments to claimants as well as to properly report such activity as required to USDOL-ETA. These system modifications have already been undertaken with respect to FPUC and PUA and are ongoing with PEUC. Although, with the additional benefits available under PEUC, NH has been able to utilize the Extended Benefits program to pay these individuals for these additional weeks with the understanding that once the modifications for PEUC are complete then they will be transferred to the correct program for federal reimbursement purposes.

Due to the speed and significance with which the COVID-19 pandemic impacted the NH workforce, NHES was not able to request approval in advance. USDOL-ETA recognized that due to unprecedented claim volumes resulting from COVID-19 states would submit requests for funding after-the-fact.

The funding will be used to support the contract amendment necessary to compensate Symbiosys Solutions, the vendor that has conducted all of these system modifications as having been the vendor responsible for maintenance, modifications and enhancements to the unemployment system since 2009.

The funds have been budgeted in the following class:

Class 038 Technology - Software will be used to develop and implement the necessary system code to process and report the new unemployment benefit program payments.

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