

OCT 27 '20 PM 2:11 DAS

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



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

October 26, 2020

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, 2020-14, 2020-15, 2020-16, 2020-17, 2020-18 and 2020-20, Governor Sununu has authorized the New Hampshire Employment Security (NHES) to accept and expend \$80,000 in additional funds from the New Hampshire Department of Health and Human Services, Division of Client Services (DHHS), to expand upon an economic analysis of the "cliff effect" across New Hampshire through June 30, 2021. 100% Other Funds.

02-027-027-270010-80400000 Employment Security			SFY 2021		
Class	Account	Class Description	Current Budget	Requested Action	Revised Budget
000	404625	FEDERAL FUNDS	(\$27,161,426)		(\$27,161,426)
001	484945	TRANSFERS FROM OTHER AGENCY	(\$895,757)	(\$80,000)	(\$975,757)
003	407549	REVOLVING FUNDS	(\$11,658,183)		(\$11,658,183)
009	402338	AGENCY INCOME	(\$593,391)		(\$593,391)
00D	488522	TRANSFERS FROM OTHER AGENCY	(\$4,523,000)		(\$4,523,000)
<b>TOTAL REVENUE:</b>			<b>(\$44,831,757)</b>	<b>(\$80,000)</b>	<b>(\$44,911,757)</b>
010	500100	PERSONAL SERVICES PERM CLAS	\$13,428,549		\$13,428,549
011	500126	PERSONAL SERVICES UNCLASSIF	\$232,480		\$232,480
012	500128	PERSONAL SERVICES UNCLASSIF	\$108,451		\$108,451
013	500131	PERSONAL SERVICES UNCLASSIF	\$347,354		\$347,354
018	500106	OVERTIME	\$1,078,239		\$1,078,239
019	500105	HOLIDAY PAY	\$25,499		\$25,499
020	500200	CURRENT EXPENSES	\$626,160		\$626,160
022	500248	RENTS-LEASES OTHER THAN STA	\$443,514		\$443,514
023	500291	HEAT ELECTRICITY WATER	\$479,773		\$479,773
024	500225	MAINT OTHER THAN BUILD-GRN	\$220,287		\$220,287
026	500251	ORGANIZATIONAL DUES	\$25,500		\$25,500
027	582703	TRANSFERS TO DOIT	\$4,866,731		\$4,866,731
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	\$51,713		\$51,713
037	500174	TECHNOLOGY-HARDWARE	\$462,323		\$462,323
038	509038	TECHNOLOGY-SOFTWARE	\$6,489,598		\$6,489,598
039	500188	TELECOMMUNICATIONS	\$479,728		\$479,728
040	500800	INDIRECT COSTS	\$372,976		\$372,976
041	500801	AUDIT FUND SET ASIDE	\$30,943		\$30,943
042	500620	ADDITIONAL FRINGE BENEFITS	\$1,196,691		\$1,196,691
046	500460	CONSULTANTS	\$4,000		\$4,000
047	500240	OWN FORCES MAINT BUILD-GRN.	\$9,210		\$9,210
048	500226	CONTRACTUAL MAINT BUILD-GRN	\$340,409		\$340,409
049	584995	TRANSFER TO OTHER STATE AGE	\$9,104		\$9,104
050	500109	PERSONAL SERVICE TEMP APPOI	\$865,656		\$865,656
057	500531	BOOKS PERIODICALS SUBSCRIPT	\$11,300		\$11,300
059	500117	TEMP FULL TIME	\$496,026		\$496,026
060	500601	BENEFITS	\$8,237,249		\$8,237,249
061	500536	UNEMPLOYMENT COMPENSATION	\$20,000		\$20,000
062	500538	WORKERS COMPENSATION	\$125,000		\$125,000
065	500542	BOARD EXPENSES	\$15,000		\$15,000
070	500700	IN STATE TRAVEL REIMBURSEME	\$84,900		\$84,900
080	500710	OUT OF STATE TRAVEL REIMB	\$37,000		\$37,000
085	588512	INTER-AGENCY TRANSFERS-FEDERAL	\$0		
102	500731	CONTRACTS FOR PROGRAM SERVI	\$3,390,000	\$80,000	\$3,470,000
103	500740	CONTRACTS FOR OP SERVICES	\$188,956		\$188,956
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
<b>TOTAL EXPENDITURES:</b>			<b>\$44,831,757</b>	<b>\$80,000</b>	<b>\$44,911,757</b>

### EXPLANATION

The accepted funds are from the New Hampshire Department of Health and Human Services, Division of Client Services (DHHS) to expand upon the economic analysis of the "cliff effect" across New Hampshire to include the impact of the COVID-19 pandemic. The "cliff effect" describes what happens when wages alone do not equally make up for the loss of public benefits for working families.

The COVID-19 pandemic has greatly impacted the State of New Hampshire, individuals and families, and businesses. As a result, with these additional funds, NHES in collaboration with DHHS recently amended its contract with the vendor selected via competitive bidding process to conduct the economic analysis, Econsult Solutions, to incorporate additional scope in order to analyze these issues through the lens of the pandemic. The amendment extends the term of the contract and expands the scope of the economic analysis to include both pre-COVID-19 and post-pandemic factors and data.

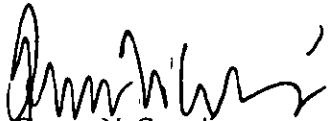
The State will benefit from the expanded analysis and required presentations and reports produced under the study by more fully understanding wage and benefit dynamics both pre-COVID-19 and post-pandemic; better identifying governmental policy changes with maximum potential for families and employers; and better identifying changes for impactful economic and labor force growth for all areas of New Hampshire.

The funds have been budgeted as follows:

Class 102 Contracts for Program Services, as noted above, will be used to support the contract amendment with the private vendor to build upon the work already done on the project.

In the event Other funds become no longer available, General funds will not be requested to support this contract.

Respectfully submitted,



George N. Copadis  
Commissioner

GNC/jdr