



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

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SECRETARY

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DIRECTOR

DUA ADVISORY COUNCIL MEETING

Thursday January 18, 2024
Meeting Minutes

Council Attendees: Richard Marlin, John Drinkwater, Christopher Carlozzi, Sam Larson, Renee Harper

EOLWD/DWD/DUA/Public Attendees: Katie Dishnica, David Gold, John Saulnier, Jeannie Pena, Mavis Smith, Jason Salgado, Sara Bahrehmand, Rena Kottcamp, Emma Hornsby, Wendy Filosi, Houda Amoakuh, Paul Fitzgerald, Mark Costello, Lisa Hemmerle

A virtual meeting was held via Zoom.

Motion was proposed to approve the December 2023 meeting minutes.

- Motion was seconded.
- Vote on Motion – all in favor to approve.

Katie Dishnica, Director of DUA, started the meeting by announcing the Advisory Council's new council member, Renee Harper. Renee Harper introduced herself to the Advisory Council. Renee is currently a CFO for Non-profit Education Resource Strategy, an organization that works with school districts around the country to improve educational outcomes for black and brown children. Prior to that she was a Vice President and Controller for Liberty Mutual for more than twenty years and oversaw budgets in excess of seven to eight billion dollars per year. Renee completed her undergraduate degree at Rochester University, earned an MBA at Boston University, and MA in Accounting from Bentley University. Outside of work she is very involved in the community. She sits on the Executive Board of the Boston branch of the NAACP, and Chair of a Foundation President Delta Research and Educational Strategy.

Katie Dishnica asked if the council members would like to introduce themselves to Renee Harper.

Christopher Carlozzi: Mr. Carlozzi is the state director for the National Federation of Independent Business owners, representing small business owners across the state of Massachusetts.

Rich Marlin: Mr. Marlin is with the MA Building Trades Union, and also graduated from BU.

Sam Larson: Mr. Larson works with Associated Industries in MA. He is originally from the legislature; however, he has been with AIM for three years. AIM represents medium and large size businesses across the state of MA.

John Drinkwater: Mr. Drinkwater is with the Union of Painters and Allied Trades District Council 35 The union represents 4,000 workers across NH, MA, ME, VT in painting, dry wall finish, glazing, and glass work industry.

Executive update

Katie Dishnica, Director of DUA provided an executive update.

The first update is that there has been an increase in the minimum base period wages for unemployment claims. It is now \$6300. This has been updated online.

The second update is that employer rate notices were issued to employer inboxes 12/29/2023.

The third update is that DUA is preparing to issue 1099G's to all claimants who collected in 2023. There are 230,000 or so. The file will be going to the mail room in the next week or so.

The fourth update is that with the new calendar year comes compliance checks. Employers are requesting compliance certificates. Instructions will be provided online.

Katie Dishnica asked if there were any questions on the updates provided so far.

Question by Christopher Carlozzi: Rate schedule increased to C? How was that determined?

Answer by Laura Santiago: The calculation is based on statute which is the ending balance of the trust fund as of 9/30 divided by total contributory wages for the private employer.

The fifth update is regarding fraud. Prior to pandemic there was eligibility fraud, working and collecting. Now there is identity theft fraud. Seasonally we have peaks in unemployment. December and January are peak months. The recent increase in claims uncovered the issue that legitimate claimants who needed to file weren't able to since someone used their social to file a claim. One thousand one hundred cases have come in from October until now. One thousand cases have been completed. There are four percent left. It hasn't been easy. The recent influx of fraud has highlighted an issue DUA needs to work through. A cleanup effort is happening. Thirty employees were reassigned and trained in Program Integrity. DUA continues to prioritize Program Integrity. System updates have been implemented to change the waiting time from weeks to days for constituents to file a new claim. Fraud is a nationwide problem. Benefit programs have been a target in general.

Questions?

Statement by Renee Harper: Mrs. Harper's company has been a victim of this. They recently received a bill that showed claims for employees currently working for them.

Response by Katie Dishnica: This is not a breach at DUA. If a constituent becomes aware of fraud, they can report it online using the secure fraud reporting form. As an employer you should respond to all questionnaires. If they do need to file, then they should contact DUA.

UI trust fund

Lisa Hemmerle, Director of the Department of Economic Research, provided an update on the UI trust fund. Report issued on 1/13/2024 gives a quarterly update and through end of the year.

Projections for 2024-2028

- Employer Contributions in 2023 totaled \$832.8M, with Q1 2024 estimated \$885M and Projected Year End \$1.54B. The increase is due to a schedule change from Schedule A in 2023 to Schedule C in 2024.
- Total benefits paid in 2023 \$2.21B and Q1 2024 estimate of \$498M, with year-end projected \$2.16B. The higher year-to-year total is due to small increases in unemployment and average weekly wage predicted.
- 2023 year-end balance \$2.91B on a cash basis and estimated 2024 \$3.3B
- Year-end balance of UI trust fund projected \$2.37B

mass.gov/uitrustfund

Discussion/ Questions:

No other questions.

Next meeting is February 15, 2024, at 9:30AM. Please let Sara or Katie know if you are unable to attend the meeting. Meeting adjourned.