

From: Lowder, Joe <JLowder@dew.sc.gov>
To: Danny VaratDannyVarat@scsenate.gov
CC: Veldran, KatherineKatherineVeldran@gov.sc.gov
Date: 1/6/2012 5:28:09 PM
Subject: RE: 16 Weeks

Danny,

The move from 20 to 16 weeks would have to be done through a change in the law – we cannot effect any change through DEW policy. Having said that - the review of the information could potentially result in a savings of \$9,151,406. The corresponding change in the tax rate could potentially result in a 1.6% reduction. I say potentially because as unemployment continues to drop, the savings and corresponding tax rates would be effected because less claims would be filed - - essentially, less claims - - less money. The corresponding drop in total weeks of benefits (state and federal) would be 64 - - down from the current 77 weeks.

Our General Counsel has reviewed the seasonal bill. It is accurate as it currently is written. That language does reflect Option 2.

We continue to push for comments from DOL on the pre-filed bills. We have a conference call scheduled with Region and the National Office on Monday at 9:00 to get definitive comments. Let me provide you with feedback our lawyers have had with their counterparts in DOL. Again – I will have specific comments Monday morning after the teleconference call.

- S.1049: Community Service – anticipate DOL taking issue with what appears to be an arbitrary precondition to benefits. This might also expose us (DEW) to potential liability for any claimant who may become injured while performing the service.
- S.1050: Drug Testing – DOL historically has only allowed a very small expenditure by an applicant as a condition to receiving benefits - - they may view this as unduly burdensome. The Bill uses the term “controlled substance” rather than “illegal drugs” and places the requirement on the applicant to disclose any medication that may affect the test to the testing examiner.
- S.1026: Part-time employment – don’t have comments yet but will get that feedback Monday morning during the teleconference.

As we look towards the meeting on 10 January with Senator Bryant and the subcommittee, I am monitoring the following agenda items:

1. Move from 20 – 16 weeks
2. Discussion of the pre-filed bills
3. Seasonal Legislation
4. Suitable Work
5. Work Search Verification
6. IT concerns to implement the above items
7. Federal budget request required to support implementing these initiatives
8. Overpayments
9. Disqualification

How long do you expect the subcommittee to last? If I have not captured the items correctly or you need to modify them – just let me know.

Based on the last meeting with Senator Bryant, yourself, Ted, and Katherine, we continue to review our data in order to determine our recommendation to toughen our existing policy. I informed Katherine that we are continuing to work this and she indicated that she is trying to set up a meeting on Monday morning. I am flexible and look forward to sitting down with you on Monday. Thanks.

Joe

From: Danny Varat [mailto:DannyVarat@scsenate.gov]
Sent: Thursday, January 05, 2012 3:24 PM
To: Lowder, Joe
Cc: katherine.veldran@gov.sc.gov
Subject: 16 Weeks

Joe, did you get a chance to finish the math on moving from 20 weeks to 16 weeks of state benefits? Also, have you heard back from USDOL on the three bills on next Tuesday's agenda?

Thanks,

Danny