SOUTH DAKOTA
DEPT. OF LABOR
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Senator Deb Peters
Co-Chair, Joint Committee on Appropriations

Representative Justin Cronin
Co-Chair, Joint Committee on Appropriations

**Quarterly Report to the Interim Joint Committee on Appropriations:
Progress of New Software System and
Adequacy of the Unemployment Insurance Trust Fund Balance**

Implementation of New Software
Senate Bill 48 appropriated $150,000 in general funds to the Department of Labor and Regulation (DLR) Division of Unemployment Insurance (UI) for upgrading software systems to allow employers to submit required reports and make contributions to the unemployment compensation fund using their choice of multiple internet browsers of the latest version.

The user interface is materially complete. A mechanism for employers to report out-of-state wages when filing their quarterly contribution reports is currently being tested to ensure the tax calculation is correct. (Employers are allowed a credit for any employee's wages reported to another state.) A method to segregate back-end processing payloads was implemented, which greatly improved throughput. BIT is setting up an in-house load test to validate performance.

The real-time dashboard has been prototyped. BIT is working to solidify appearance and functions, investigate the most common operating system/browser errors, and remediate them.

Overall, the project is approximately 75 percent complete.

Adequacy of the Unemployment Insurance Trust Fund Balance
The UI Advisory Council met on October 19 to approve the annual report. The Council's report recommended to the Governor and the 2017 Legislature that legislation be introduced. The proposed bill will result in the establishment of an administrative fee and create an alternative tax table when the June 30 Trust Fund balance is at an Average High Cost Multiple (AHCM) of 1.6 or above.

Sincerely,

M. Hultman

Marcia Hultman
Cabinet Secretary

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