

Illinois Employment Security Advisory Board
Video/Teleconference Meeting
December 12, 2024
10:00 A.M.

Board Attendees:

WebEx/Phone: David Prosnitz
Joanna Webb-Gauvin
Noah Finley
Christelle Khalaf
Rob Karr
Pat Devaney
Mark Denzler
Jim Argionis
John Easton
Rick Terven

With a quorum of the members present, the meeting was called to order by Chairman Argionis

1. Introductions (Jim Argionis)

IDES continues to participate in media briefings, and to that extent, if you are a reporter or member of the media with a media request or question, please submit those to the Department's PIO, Rebecca Cisco. She can be reached at Rebecca.Cisco@Illinois.gov.

2. Minutes from Prior Meeting

The minutes from the September 2024 ESAB meeting were reviewed. Chairman Argionis called for a rollcall vote to approve the minutes as final. Board member John Easton seconded, and the motion passed unanimously.

3. Director's Comments (Ray Marchiori)

Thank you, Chairman Argionis. Good morning and thank you to all the board members. Welcome to the quarterly Employment Security Advisory board meeting. As always, we appreciate the opportunity to meet today.

I'm joined today by my IDES colleagues, some of whom you will be hearing from shortly, including Chief Legal Counsel Kevin Lovellette, who will provide a brief legislative update as well as Brett Cox, CFO, and Marty Johnson the Department's Director of Labor Market Information, who will share financial, Trust Fund, and economic outlook activities.

Before we move to those reports, as you will recall from our September board meeting, I mentioned an addition to the senior leadership team here at the department, LaReyna Griffin as the new Assistant Deputy Director for Service Delivery. Well, LaReyna is joining us today as well as Mireya Hurtado, Deputy Director for Service Delivery to take you through a brief presentation highlighting the department's ongoing initiatives, partnering with the U.S. Department of Labor.

I have mentioned in previous meetings, IDES has received grants funded through the American Rescue Pandemic Act (ARPA) to work on improvements related to detecting and preventing benefit misuse, increasing equitable access to UI, and providing timely benefits. Throughout this past year, IDES has maintained our focus on continuous improvements and implementing critical initiatives through the use of these federal grant projects. These grant projects have positioned the Department with an opportunity to invest in technology-based solutions, improve efficiencies, and implement best practices focusing on user-experiences including enhancements in equity-based communication.

ARPA Modernization Presentation (Mireya Hurtado and LaReyna Griffin)

As we have reported, IDES is underway with the modernization of agency practices and modular revamp of the Illinois Benefit Information System (IBIS). We are taking advantage of four grants that are focused on innovation of practices, access, and operation. This is allowing the ability to increase competencies across the agency and for our customers. We are seeing the value daily as we implement and work through these grants, from internal staff process to institutional adaptableness of new technology, all in the furtherance of customer/claimant understanding.

IDES works with our Tiger Team grants to implement system enhancements that will offer enhanced security, improved regulatory compliance, easier document retrieval, increased productivity, enhanced analytics, increased productivity, and reporting capabilities.

- Help the agency's understanding of claimant needs.
- Increase the knowledge of what actions need to be taken, by whom, and when.
- Reduce the amount of time currently required to process incoming documents related to Unemployment Insurance claims processing.

The implementation of the Fraud/Integrity Grants have permitted IDES to address these cornerstones in the following ways:

- Developed At a Glance visual reporting and analytical Tableau reporting for the major fraud crossmatches.
 - o Utilizing these reporting dashboards, review and anticipate fraudulent schemes.

- o Anticipate potential ID certification issues.
 - o Assist in impactful overpayment discovery and referrals.
- Implement security checkpoints to assist in fortifying ID authentication.
 - o Reviewing documentation.
 - o Confirmation of identity.
 - o Mitigate fraud threats from the onset.

IDES Equity projects, in combination, will provide a holistic approach to claimant experience and data forward communication patterns. This can be demonstrated in the following ways:

- Equity data reports will guide and pinpoint where administrative process changes can be targeted to improve equitable UI access and will inform both IDES-based outreach efforts and potential external outreach efforts.
- Improving internal UI Service Delivery processes using the new equity-focused data reports.
 - o Training SD staff on interpretation of the new data and how understanding claimant profiles can illuminate where to make administrative process improvements.
 - o Expanding the Service Delivery mindset from purely processing a claim to considering the UI user and needs.
- Providing an online self-service platform that will claimants to review the status of a claim and additional key features without the need for human/in-person assistance.
- Executing a clear language comprehensive review of UI communications (clear language and translation) and on improving public awareness of UI programs
 - o Ensuring internal and public-facing materials are inclusive and responsive to the needs of the identified populations.
 - o Leveraging relationships with community partners who are trusted intermediaries for the identified populations.

Thank you, Mireya and LaReyna for the presentation.

So, in closing, I want to thank all my IDES colleagues across the state and recognize them for the work they do every day on behalf of our department. I am appreciative of the work that is being done to produce important accomplishments and creating real inroads to building the foundation for the future.

I will hand it back to you Chair Argionis. Thanks to everyone for your time today and wishing everyone a happy holiday season!

4. Legislative Update (Kevin Lovellette)

Good morning, and thank you, Chair.

On November 20, 2024, SB 3410 was passed by the General Assembly. This bill reset the rest stops, or speed bumps, to begin on January 1, 2027, instead of January 1, 2025. For background, rest stops/speed bumps are increases in employer contributions and decreases in employee benefits that are scheduled to occur periodically in the UI Act to allow stakeholders to discuss whether they should take effect and to assess whether other changes to the Act are required. If not, the rest stops/speed bumps are reset to the future, which is what occurred in this bill. The bill is in line to be sent to the Governor for his review and signature.

The bill also removed some language regarding a contingency if funds were not appropriated to repay the Title XII advances. Since those funds were appropriated, the language could never take effect, and removing it helped to clear up the UI Act.

Finally, the bill also made the standard change of removing some gender-based pronouns.

No other changes were made by the bill.

I would be happy to answer any questions.

5. Trust Fund Update (Brett Cox)

I don't have much to report today. Activity in the Trust Fund has stayed largely in line with previous projections. At the end of November, the Trust Fund balance was \$1.73 billion [exact was \$1,734,403,490.37]. Marty will discuss future projections shortly. I'm happy to answer any questions the Board may have.

6. Quarterly Financials Presentation (Marty Johnson)

The state's UTF account ended the 4th quarter of 2023 with a positive balance of \$1.54B. As the projections provided today indicate, the account is expected to run a revenue deficit in each year of the forecast (2024-2027). With regard to the final net trust fund balance, under the baseline projection, the year-end balance is projected to be a positive balance \$1.60B in 2024 and a positive balance of \$0.29B in 2027 – the extent of the forecast horizon.

7. Open Discussion

Board member John Easton asked Deputy Director for Service Delivery Mireya Hurtado whether the Department had any metrics that it was following to determine how the modernization programs utilizing the federal grants were proceeding. Mireya responded by saying that the Department has a very hands-on relationship with the US Department

of Labor in which there are quarterly meetings to update them on the progress of the grant programs and to avail the Department of technical assistance from US DOL to ensure their completion. She further noted that the Department uses internal metrics to evaluate these programs, particularly with the UI Equity grant in which Service Delivery has partnered with the Labor Market Information unit to develop a data driven approach to tracking the outcomes associated with the modernization effort. Board member Christelle Khalaf requested that the Department include some of these progress measurements as part of future updates regarding the grant programs.

8. Adjournment

A motion was made by Chairman Argionis to adjourn the meeting. The motion was seconded by Pat Devaney and the rollcall vote unanimously voted to adjourn.