

Rep. Edming, Rep. Petryk: Representatives request copy of DWD report; highlight importance of trust fund balance

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Madison – Representative Edming, Chair of the Assembly Labor and Integrated Employment Committee and Representative Petryk, Chair of the Workforce Development Committee, sent a letter to Department of Workforce Development Secretary Designee Caleb Frostman requesting a copy of the updated Unemployment Insurance Trust Fund financial report. The legislature has yet to receive the report due on June 15th from DWD as required by state statute.

“Having access to update-to-date Unemployment Trust Fund numbers is extremely important as the balance of that fund effects every business in this state who pays unemployment taxes,” said Representative James Edming (R-Glen Flora). “Over \$100 million was paid on interest alone to cover the costs of borrowing the funds to keep the fund afloat during the recession, monies that could have been used to help our economy at the time.”

The Unemployment Insurance Trust Fund is the account onto which employers pay taxes to provide financial aids to those who have lost their job through no fault of their own and therefore qualify for unemployment insurance. The balance of the trust fund is used to determine an employer’s tax rates each year. These rates fluctuate based on the cash balance of the fund and can cause employers to pay

nearly 4 times more in taxes. Since 2016, improvements in the trust fund caused tax schedules to decline, saving 140,000 covered employers a combined \$165 million in tax payments.

“The Unemployment Insurance system is designed to help individuals who lost their job through no fault of their own bridge the employment gap to a new job,” said Representative Warren Petyrk (R-Eleva). “Knowing the balance of the fund and getting projections on where it might be heading helps inform discussions on possible needed changes to this extremely important workforce program.”

The report under Wisconsin State Statute 16.48 (3) was due to the legislature on June 15th.