

Rep. Nygren: As hundreds of thousands suffer, Dept. of Workforce Development claims they are doing a “great job” while Gov. Evers cuts their budget

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Madison—State Representative John Nygren (R-Marinette), Co-Chair of the Joint Committee on Finance released the following statement:

“I watched with disappointment yesterday as Department of Workforce Development (DWD) Secretary Caleb Frostman and his staff downplayed and danced around the failure to pay 30% of all unemployment insurance (UI) claims,” said Rep. Nygren. “For weeks, hundreds of thousands of Wisconsinites have been waiting to receive their UI claims. This is a disaster, and instead of coming to the Legislature with a plan to help the unemployed, Secretary Frostman continued to place the blame elsewhere.”

“Even more shocking is that Governor Tony Evers’ appointee to run the UI Division said that DWD has done a great job managing UI claims,” said Rep. Nygren. “The taxpayers that I hear from have a much different assessment of DWD and Gov. Evers’ performance.”

It was clear from the hearing that as Gov. Evers prepared to shut down the state and cause hundreds of thousands of workers to lose their jobs, he had no plan to provide the soon-to-be unemployed the resources they are entitled to.

Even worse, Secretary Frostman doubled down on his effort to blame the slow

processing of UI claims on an IT system run on COBOL. For context, about 90% of Fortune 500 companies and up to 95% of ATMs use COBOL code. Micro Focus, an IT company that uses COBOL, said that 70% of global transaction processing systems use COBOL.

To put this in perspective, any time someone books a flight, pays the mortgage, or buys something online they are likely interacting with COBOL. Ironically, US Bank, which the state uses to make UI payments, likely uses the same IT system that Gov. Evers is trying to blame the UI backlog on.

“Clearly, this is yet another excuse to distract from a failure of leadership,” said Rep. Nygren. “Wisconsinites won’t be easily misled by Gov. Evers’ and Secretary Frostman’s misleading blame game.”

Compounding this issue, today Gov. Evers announced that he is cutting DWD’s budget. At the same time, Gov. Evers and DWD are blaming the UI disaster on not having enough resources for the current unemployment crisis.

“Gov. Evers decided that 25 state agencies, including Lt. Governor Mandela Barnes’ office, are too important to be included in the cuts to state agencies,” said Rep. Nygren. “But the agency tasked with providing emergency financial assistance to the unemployed was not important enough to be exempted from these cuts. If resources are not a concern for DWD, Gov. Evers should stop using it as an excuse.”