

PROGRAM DESCRIPTION

Department of Labor and Industrial Relations

HB Section(s): 7.880

Program Name: Unemployment Insurance Programs (Tax)

Program is found in the following core budget(s): Division of Employment Security Administration

1a. What strategic priority does this program address?

Growth: Foster a business environment to support economic development.
Collect unemployment insurance taxes to ensure Unemployment Trust Fund Solvency.

1b. What does this program do?

- Collects unemployment tax contributions from liable employers for payment of benefits to eligible claimants.
- Conducts federally mandated audits to ensure employers are compliant with UI laws.
- Makes determinations in regard to the proper reporting of workers' classifications and wages to ensure UI taxes are collected for eligible employees and that independent contractors are properly utilized by employers.
- Collects delinquent taxes and contribution and wage reports to ensure timely and accurate payments into the UI Trust Fund and proper calculation of benefits for claimants.

2a. Provide an activity measure(s) for the program.

	FY 2018	FY 2019		FY 2020		FY 2021	FY 2022	FY2023
	Actual	Projected	Actual	Projected	Actual	Projected	Projected	Projected
Number of Liable Employers	165,241	166,000	163,941	165,000	170,452	170,500	172,000	172,000
Number of Misclassified Workers Identified ¹	4,590	4,500	4,454	4,500	3,929	4,500	4,500	4,500
Number of Audits Completed ²	1,227	1,660	2,061	2,000	1,093	2,000	2,000	2,000

¹ As employers are educated regarding misclassification of workers, the number identified is expected to drop; however, the Division expects there will continue to be misclassified workers identified.

² The significant decrease in the number of audits during FY 2020 was due to the Field Auditors being temporarily assigned to assist with claims intake due to unprecedented number of claim as a result of COVID-19 pandemic.

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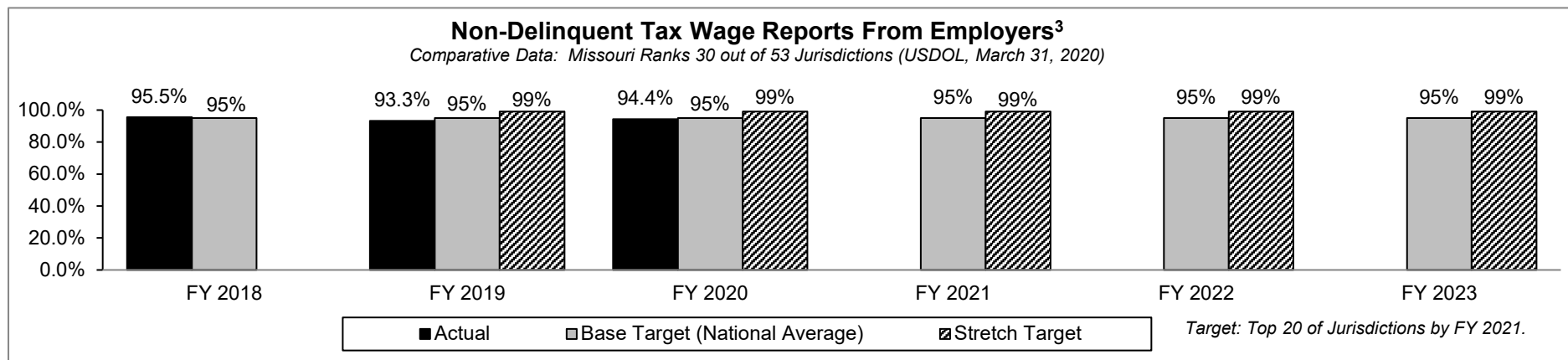
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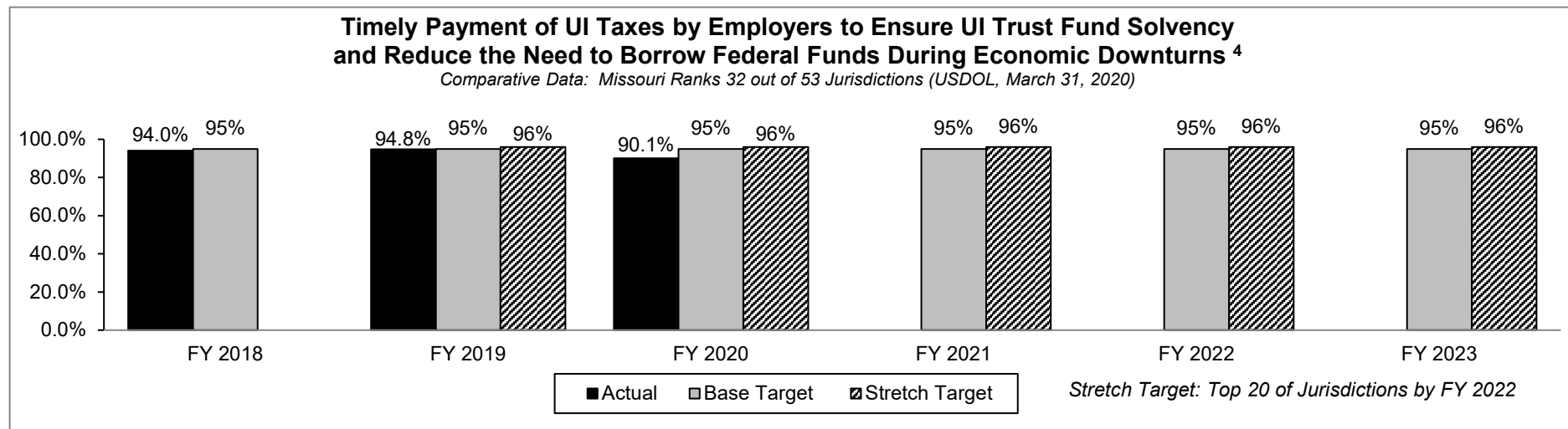
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2b. Provide a measure(s) of the program's quality.



³ In an effort to prevent further reductions, the Division has increased outreach to employers regarding the required filing of contribution wage reports.

2c. Provide a measure(s) of the program's impact.



⁴ The decrease in the percentage of timely payments during FY 2020 can be attributed to an increase in collection activities in FY 2019. Employers paid contributions on delinquent accounts which would have been considered not timely payments.

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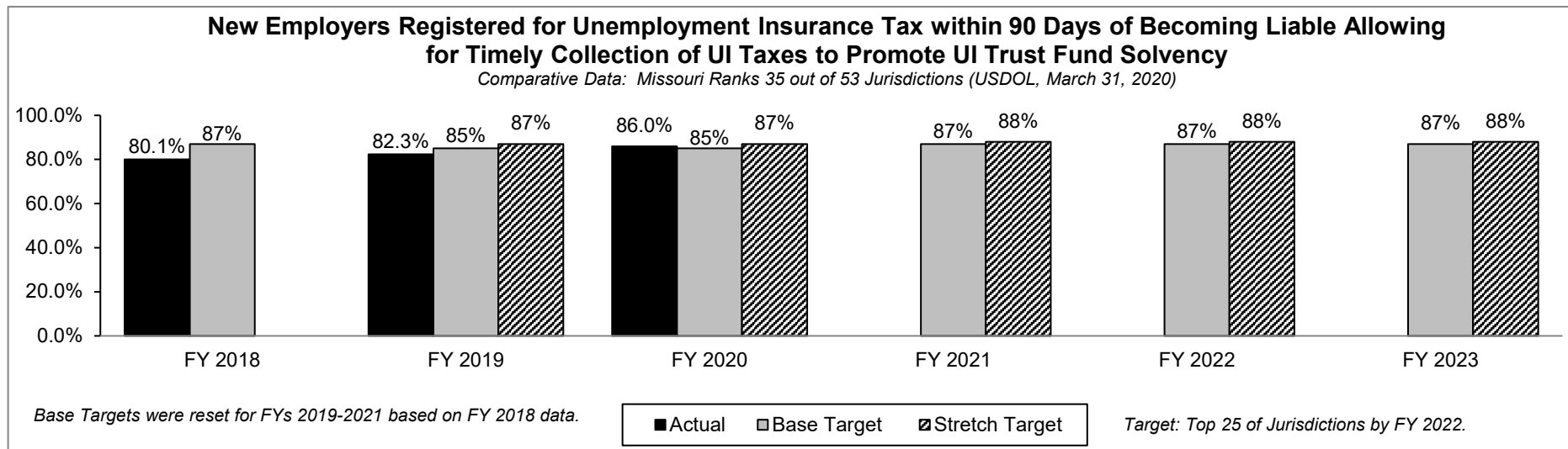
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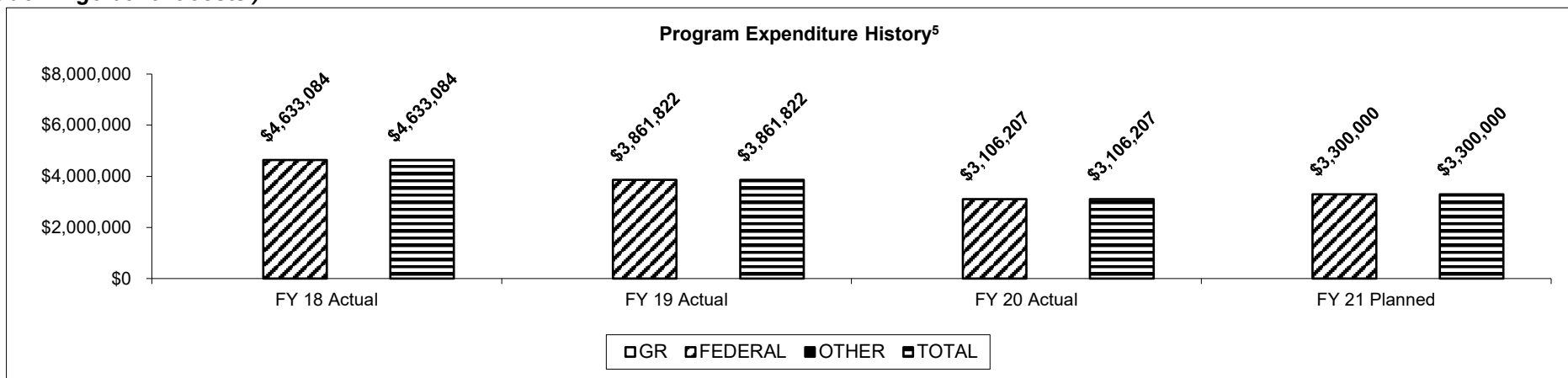
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2d. Provide a measure(s) of the program's efficiency.



3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



⁵ The decrease to the FY20 actual amount is due to the significant decrease in the number of audits during FY 2020 was due to some staff being temporarily assigned to assist with claims intake due to unprecedented number of claim as a result of COVID-19 pandemic.

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4. What are the sources of the "Other " funds?

Special Employment Security Fund (0949)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Title III of the Social Security Act and Chapter 288, RSMo.

6. Are there federal matching requirements? If yes, please explain.

No.

7. Is this a federally mandated program? If yes, please explain.

Yes. In order to receive Federal funding, this program is required. The program is 100% Federally funded.