II RESEARCH PROJECT SUMMARIES

A. Research Projects Planned and in Progress

Problem Studied

Beginning in 1978, Local Government units were included under the coverage of the Illinois Unemployment Insurance system. Employing units had the option of electing to contribute to the U. I. Trust Fund at a 1.0% tax rate, or to reimburse the Fund for benefits paid to former employees. The purpose of the study is twofold.

First, to determine whether the 1.0% tax rate assigned to contributing Local Government employers was adequate or insufficient to cover their benefit costs.

Secondly, whether alternate methods of financing benefits paid to former Local Government employees should be recommended, and the impact of those alternatives on the tax revenues of the U. I. system in Illinois.

Study Title

"Study of Local Governments' Experience Under Unemployment Insurance in Illinois, 1978 and 1979".

Methodology

Areas addressed by the study include the following:

a) Adequacy of the 1.0% contribution tax rate for covering the benefit cost of Local Governments.

b) Characteristics of beneficaries of Local Government employers.

c) Recommendations for and assessment of alternate systems of benefit financing.

Methods of analysis include the construction of a Local Government database, which will be accessed using Statistical Package for the Social Sciences (SPSS) and Data Analyzer (a report generator) to prepare tabulations for use in the analytical phase of the study.

Other methods used will involve survey questionnaires submitted to Illinois Local Government Units and the U. I. Research and Statistics units of other states. These surveys are designed to collect data on individual employer experience under U. I. coverage and States' experience with Local Government coverage.

Source data will reside on the Local Government database, and be provided by existing data files related to the operation of the Illinois Unemployment Insurance system. Data will fall into three general categories - i.e., coverage data, benefit cost data, beneficiary characteristics data.

Completion Date: March 15, 1980

Author Gerald E. Mucha, Employment Security Research

Availability

Ill. Bureau of Employment Security
Research and Analysis
Harry M. Hardwick, Manager
910 So. Michigan Ave.
Chicago, Il. 60605

Problem To Be Studied

Cost Savings Achieved by Use of Seasonal Determinations

Study Title

Cost Savings Achieved by Use of Seasonal Determinations

Method

Obtain list of claimants who have filed claims against seasonal employers. Determine amount of disbursements paid to these claimants as compared with estimated disbursements to these claimants if there had been no seasonal provisions in Arkansas' law.

This study will be a hundred percent sample and will be analyzed by comparing actual with estimated disbursements.

Data Source

Claim File

Expected Completion Date

Fiscal Year 1980

Contact Person

Bob Morgan
Assistant Director for Research and Analysis
Arkansas Employment Security Division
P. O. Box 2981
Little Rock, Arkansas 72203
Telephone: (501) 371-1541

PROBLEM TO BE STUDIED

When a new benefit qualifying schedule was put into effect on July 1, 1979, what savings have resulted?

STUDY TITLE

An analysis of benefit savings that have resulted following the new benefit qualifying schedule implemented on July 1, 1979.

METHOD

Methods of Analysis

Analysis I - All claimants with effective date of claim after 7/01/79 will be run by using the old benefit qualifying schedule. Comparisons will be made with the ES-218 output for the qtr. 3/79 with respect to potential and actual duration.

Analysis II - Selected data from the ETA 5-159 and the NDRS-217 will be analyzed to establish a change pattern and variable relationships that may have resulted in qtrs. 3/79 and 4/79 concerning TWCR, first payments, average WBA and EX.

Analysis III - Data variables in Analysis I & II may be compared and analyzed to affirm any results in either Analysis I or II.

Sampling Design

Universe of data source.

DATA SOURCE

Claimant Master File
ES-218
ETA 5-159
NDRS-217

EXPECTED COMPLETION DATE

January 1, 1980

AUTHOR

Richard A. Dietrich, Jr.
Job Service North Dakota
Box 1537
Bismarck, ND 58505

701-224-2868

PROBLEM TO BE STUDIED

What are the characteristics of the new disqualifications (voluntary quit, conduct, and refusal of suitable work) and the estimated cost saving that has resulted from removing subsection 10 of section 52-06-02 that prior to 7/01/79 allowed a claimant to overcome the disqualification by a mere passage of time.

STUDY TITLE

Cost savings and characteristics of the new disqualifications (voluntary quit, misconduct, and refusal of suitable work) that impose penalties of X times the weekly benefit amount.

METHOD

Methods of Analysis

NDUC-245's (deputy level decisions) will be analyzed by month, (Note: the month is based on the month determination is made) beginning with July of 1979. The 245's will be broken out by issue; then using SSN's followed through by those who were disqualified, or had benefit rights suspended or had no disqualifications.

Comparable data with respect to prior years (i.e. calendar years 1976, 1977, & 1978) will be analyzed to determine the range of cost savings that has resulted after 7/01/79.

Claimant characteristics data will also be available to research additional applications.

Sample Design

Universe of period required.

DATA SOURCE

NDUC-245 Source Document
BEN-19 Source Document
ES-207 Nonmonetary Reports (monthly)
MA 5-130 Appeals (monthly)

EXPECTED COMPLETION DATE

March 1, 1980

AUTHOR

Richard A. Dietrich, Jr.
Job Service North Dakota
Box 1537
Bismarck, ND 58505

701-224-2868

Title:	Study of Georgia Disqualified Claimants
Purpose:	To describe characteristics of disqualified claimants and analyze relationship to UI program; to determine cost impact of various disqualification penalties on UI program.
Data Source:	CWBH data bank, which contains a 10% sample of initial UI claimants along with all subsequent related claims information and supplemental characteristics data for each sample claimant.
Methodology:	Initial claimants in CWBH data bank with expired benefit years in a specified reference period will be analyzed in terms of characteristics such as sex, age, race, occupation, industry, marital status, working spouse, dependents. Claimants re-opening claims following a disqualification will be identified and associated claim duration and benefit costs will be estimated in relation to length of penalty period.
Expected Completion Date:	Will be dependent on creation and validation of CWBH data bank, planned to be usable by the beginning of CY 80.
Contact:	Sherryl Edge or Joe Wooddall Labor Information Systems Georgia Department of Labor 254 Washington Street, S.W. Atlanta, Georgia 30334 (404) 656-3177

PROBLEM STUDIED:

To develop information on the demographic characteristics of beneficiaries and to develop distribution of base period wages and duration of benefits for beneficiaries under the Illinois Regular Program.

Study Title: Beneficiary Research Study

Method: This study will be made on a calendar year and a fiscal year basis each year. To accomplish this universe claims data will be collected from the Illinois' Benefit Information System for six month periods. This data will then be processed and summaries compiled. From these summaries output tabulation can be requested as needed.

Completion Date: The first reports will be available for fiscal year 1980 in late July 1980.

Author: Richard Low, Employment Security Research

Availability: Illinois Bureau of Employment Security
Research and Analysis
Harry M. Hardwick, Manager
910 S. Michigan
Chicago, Illinois 60605

PROBLEM TO BE STUDIED

How does the task of administering the unemployment insurance able and available requirements change over the business cycle? Central to the question are the circumstances surrounding the job separation, and how this factor influences the demographic composition of the claimant population and whatever tendencies there may be to prolong unemployment unnecessarily. Answers to such questions are needed to develop optimal methods for testing current labor force attachment and eligibility for unemployment benefits.

STUDY TITLE

Reason for Job Separation as a Factor in Benefit Duration and Work Disincentive Effects.

METHOD

It is expected that as unemployment increases certain predictable changes in the claimant population will occur and that these changes in themselves (apart from job availability) affect the tendency for claimants to remain out of work. Based on CWBH data for the periods and States available, the composition of claimants by various demographic characteristics and reason for job separation will be studied. Statistical analysis will be made of the influence of reasons for unemployment on duration of insured unemployment.

Expected completion date

July 1980

CONTACT PERSON

Paul J. Mackin
Division of Research Services
Unemployment Insurance Service
601 D Street, N.W. - Room 7402
Washington, D.C. 20213

PROBLEM TO BE STUDIED

The purpose of this project is to supplement the Arizona Benefit Adequacy Study by performing the following tasks.

1. Determining the cost of alternative weekly benefit amount formulas compared to costs of the current formula, and examining the cost changes in terms of changes in benefit adequacy brought about by the formula changes.

2. Evaluating the "necessary/obligated" expense benchmark developed to assess benefit adequacy

3. Estimating benefit adequacy for claimant populations in terms of claimant characteristics rather than detailed expenditure information.

STUDY TITLE

Arizona Benefit Adequacy Contract Extension Project

METHOD

Sampling design:

A Statewide random sample of beneficiaries filing for their fifth consecutive week of benefits in the benefit year was selected over a one-year period.

Data source

Data sources were UI claims records and interviews administered at the fifth, thirteenth and twenty-fifth consecutive week of receipt of benefits.

Methods of analysis

1. Costs of alternative benefit formulas will be estimated using benefit year history data from the UI claims file.

2. Expense data obtained from interviews will be analyzed to determine the extent to which beneficiary expenses within designated categories change from preunemployment to the unemployed period. Also, alternative benchmarks of adequacy, i.e., "nondeferrable expenses" and "necessary/obligated expenses" will be compared.

3. Multiple regression analysis will be used to develop prediction equations for benefit adequacy for relatively homogeneous groups of households based on relationships found between claimant characteristics and benefit adequacy. The estimates will utilize information available in agency claims records and information available from the CWBH data tapes currently being developed in the CWBH pilot project.

EXPECTED COMPLETION DATE

May 31, 1980.

CONTACT PERSON

Robert St. Louis
Arizona Department of Economic Security
1717 W. Jefferson Street
P.O. Box 6123
Phoenix, Arizona 85005

Telephone 602-255-3661

PROBLEM TO BE STUDIED

The purpose of the study is to determine the extent to which weekly benefit amounts provided under State benefit schedules replace the usual wages of claimants.

STUDY TITLE

Replacement of the Usual Wage of Claimants

METHOD

Sampling design

Samples or subsamples of monetarily eligible claimants in CWBH pilot States will be selected over a year period, if feasible.

Data Source

National CWBH data base system tapes. The usual wage will be obtained from the claimants' response to the questionnaire item, "How much were your usual weekly earnings on your last job before taxes and other deductions? Include tips, commissions, overtime."

Method of analysis

A determination will be made of the wage replacement of the usual wage reported by claimants. Replacement ratios will be examined according to personal and economic characteristics of claimants.

EXPECTED COMPLETION DATE

Analyses will be ongoing, as edited CWBH data tapes become available in the national office.

CONTACT PERSON

Helen Manheimer
601 D Street, N.W., Room 7402
Washington, D.C. 20213
Telephone number: 202-376-7293

Title:	Effects of Alternative Weekly Benefit Amount Provisions in Georgia
Purpose:	To analyze effects on UI program costs and claimant subgroups of alternative weekly benefit amount formulas and varying maximum weekly benefit amounts.
Data Source:	CWBH data bank, which contains a 10% sample of initial UI claimants all with all subsequent related claims information and supplemental characteristics data for each sample claimant.
Methodology:	Initial claimants in CWBH data bank filing claims in a yearly period will be selected and for each claimant prospective eligible weekly benefit amounts under various formulas and maximums will be calculated and wage replacement ratios determined. Each alternative will be studied in terms of characteristics of claimants affected, wage replacement ratios or other measures of adequacy, and degree of impact. Characteristics identified will be sex, race, age, occupation, industry, usual weekly wage, marital status, and others determined to be of interest.
Expected Completion Date:	Dependent on creation and validation of CWBH data bank, planned to be usable by the beginning of CY 80.
Contact:	Sherryl Edge or Joe Wooddall Labor Information Systems Georgia Department of Labor 254 Washington Street, S.W. Atlanta, Georgia 30334 (404) 656-3177

PROBLEM TO BE STUDIED

The objective of this study is to analyze the possible bias that might exist when omitting a delayed filing variable in the estimating models determining the effect of the weekly benefit amount on the duration of unemployment.

STUDY TITLE

A Study of the Impact of the Omission of the Delayed Filing Variable on the Unemployment Insurance Benefit Duration of Claimants.

METHOD

Sampling Design

The CWBH State samples that are available to the national office at the end of January 1980 will be used in this study.

Methods of Analysis

A review of the theoretical and empirical literature on job search and delayed filing will be conducted to facilitate the development of a theoretical framework and a system of equations for the delayed filing behavior of claimants.

CONTACT PERSON

John Robinson
Unemployment Insurance Service
601 D Street, N.W., Room 7402
Washington, D.C. 20213
Telephone (202) 376-6162

PROBLEM STUDIED

Exhaustee Characteristics: Develop a profile of unemployment insurance exhaustee characteristics by industry, occupation, age group, sex and race.

STUDY TITLE

Characteristics of Unemployment Insurance Exhaustees in Kansas

METHODOLOGY

Sampling design

Universe of Regular U.I. exhaustees in CY 1979 in Kansas.

Data source

Benefit record tapes of the Kansas Department of Human Resources.

Methods of analysis

Analysis of tabulations of all Regular U.I. exhaustees in Kansas.

EXPECTED COMPLETION DATE

Summer 1980

PERSON TO CONTACT

Mr. Bill Layes
Research and Analysis Section
Kansas Department of Human Resources
401 Topeka Avenue
Topeka, Kansas 66603
phone: (913) 296-5066

PROBLEM TO BE STUDIED

The purpose of this research project is to statistically analyze the relationship of first and final payments in the Kansas unemployment insurance program by major industry divisions and specific chosen industries.

STUDY TITLE

The Relationship of First and Final Payments in Major Industry Divisions and Specific Chosen Industries

METHODOLOGY

Sampling design

Universe of first and final payments from July 1979 until end of project period. Only payments from the regular U.I. program will be included in the study.

Methods of analysis

Analysis will consist of examining monthly tabulations to study when first and final payments are highest. This analysis will seek specific reasons for these peaks. It will attempt to determine if persons receiving final payments come from a specific employer within an industry, very few of the employers within the industry, or from many different employers.

Data sources

1. Monthly ADP runs of U.I. statistics.
2. Weekly reports from area U.I. offices.

EXPECTED COMPLETION DATE

Spring 1981

NAME, ADDRESS, and TELEPHONE NUMBER OF CONTACT PERSON for PROJECT

Mr. Bill Layes
Research and Analysis Section
Kansas Department of Human Resources
401 Topeka Avenue
Topeka, Kansas 66603
phone: (913) 296-5066

PROBLEM STUDIED

The research goal is to test the perceived due process, cost-effectiveness, and the effect on hearing quality resulting from teleconferencing in appealed employment security unemployment insurance hearings, a goal which spans State interests.

STUDY TITLE

The Use of Teleconferencing in Administrative Hearings

METHOD

Utilizing a randomized factorial design replicated in three blocks, a one year extensive field experiment is being conducted in the State of New Mexico, with the excellent cooperation of the New Mexico Employment Commission.

The primary treatment will be selected cases, carefully scheduled and monitored, of telephone hearings in the program area of unemployment insurance conducted by Appeals Referees. The hearings by telephone will be compared to the conventional face to face in-person hearings; at a second level, the experimental treatment and control conditions will be the unemployment insurance hearings where the claimant is represented by a lawyer, and hearings where the claimant has no legal representation.

Blocking will be in three areas: metropolitan Albuquerque; urban hearing locations, and rural hearing locations. As indicated, the primary research questions to be evaluated concern the issues-the perceived ability of the experimental programs vs. the on-going programs to deliver legal due process; the cost effectiveness of the programs; and the hearing quality.

Instrumentation consists of content analysis of hearing transcripts to measure objective dimensions; survey attitudinal questionnaires applied to hearing participants to measure satisfaction; and peer review of hearing transcripts, case files and decisions to measure legal quality.

RESULTS

The Fair Hearing Project has published an article in the Law Journal of the American Bar Association titled "Attitudes toward the use of the telephone in Administrative Fair Hearings: The California Experience."

In addition, there has been published a comprehensive document titled "A Manual of Procedures For Conducting Telephone Hearings in Unemployment Insurance Administrative Appeals."

This manual is very useful for those SESA agencies with no previous experience in telephone hearings.

Final results of the findings of the Fair Hearing Project are tentatively scheduled for June 1, 1980.

CONTACT PERSON

For copies of the publications cited, or for additional information, contact Bernard Streett, 202-376-7110.

INVESTIGATOR

Jerome R. Corsi, PhD
Principal Investigator
Fair Hearing Project
University of Denver

PROBLEM TO BE STUDIED

Based on the most current and available data, are Category I (Job Ready and Job Attached) Claimants properly classified?

STUDY TITLE

Are Category I (Job Ready and Job Attached) Claimants in North Dakota properly classified?

METHOD

Hypotheses to be Tested

Is the wide variance of percentage in local office Category I Claimants sufficient to conclude that Category I Claimants were incorrectly classified.

Methods of Analysis

Optimum comparison of relationships that exist with the various data output in matrix form.

Sampling Design

A universe of claimants from the claimant master file with an effective date of claim between 7/01/77 and 3/31/78 were drawn and placed on tape. From the tape SPSS was used to output in various matrices.

DATA SOURCE

Universe (Claimant Master File)

EXPECTED COMPLETION DATE

December 15, 1979

AUTHOR

Richard A. Dietrich, Jr.
Job Service North Dakota
Box 1537
Bismarck ND 58505

701-224-2868

PROBLEM STUDIED

Overpayment Characteristics: Develop a profile of both Fraud and non-Fraud overpayments. Determine whether patterns of incidence exist by industry, occupation, age group, sex and race.

STUDY TITLE

Overpayment Characteristics in Kansas

METHODOLOGY

Sampling design

Universe of Fraud and non-Fraud overpayments in CY 1979 in Kansas.

Data source

Benefit record tapes of the Kansas Department of Human Resources.

Methods of analysis

Analysis of tabulations of all overpayments in Kansas.

EXPECTED COMPLETION DATE

Summer 1980

PERSON TO CONTACT

Mr. Bill Layes
Research and Analysis Section
Kansas Department of Human Resources
401 Topeka Avenue
Topeka, Kansas 66603
phone: (913) 296-5066

PROBLEM TO BE STUDIED

Wage Record Changeover; The purpose of this study will be to collect data to facilitate an evaluation of the "Wage Record System" in comparison with the "Wage Request-Report System" previously used.

STUDY TITLE

An Evaluation of Wyoming's Wage Record System.

METHODOLOGY

Sampling Design

Sample of initial claims filed during second quarter 1979.

Hypotheses to be Tested

1. The wage record system is producing a significant number of wage items from employers not listed on the initial claim and which would not have been captured on a wage request system.
2. Benefit rights of a significant number of claimants are generally affected, either adversely or beneficially, because of the inclusion of wages from employers listed on the wage record file that were not shown on the initial claim.
3. A number of claimants appear to be purposely omitting employment on their initial claim because separation from such employment is under potentially disqualifying circumstances.
4. A significant number of minute wage amounts in the "odd job" category are being included in monetary calculations and experience rating charges which were not normally included under the wage request system because of claimant memory or the belief that the amount was too insignificant to include on the initial claim.

Method of Analysis

Initial claims filed during the study period will be compared to the monetary determinations issued based on the wage request system. An analysis of those claims which result in a difference will be made to test the hypotheses listed. The employers' accounts affected by the additional wages provided will be analyzed to determine the effect on their experience rates. The eligibility or ineligibility of claimants will be analyzed to ascertain if the claimants are being determined eligible or ineligible based on the additional employers. An analysis will also be made of the reasons for separation from those employers omitted from the initial claim to see if there is a correlation between the reason for separation and omission from the initial claim. An analysis will be made to determine if the Law should include a "tolerance factor" excluding usage of taxation of small wage items; and, if so, what the amount should be. Some states are allowing the exclusion of wage amounts under $50 or $100.

DATA SOURCE

Data will be drawn from the claimant files in the Benefit Section and from the Wage Record System.

CONTACT PERSON

Further information on the study can be obtained by contacting Mr. Calvin D. West, Special Assistant to the U. C. Director, Unemployment Compensation Division, Employment Security Commission, P. O. Box 2760, Casper, Wyoming 82602, Phone (307) 237-3701.

PROBLEM TO BE STUDIED

U.I. Validation Study: The second annual U.I. validation study will be conducted in FY 1980 to ensure adherence to federal definitions for budgeted workload items and accuracy of numbers of items reported. Workload items to be validated include: intrastate new, transitional, and additional claims; interstate agent new, transitional, and additional claims; interstate liable new, transitional, and additional claims; weeks claimed; nonmonetary determinations and redeterminations; appeals; subject employers; and wage records.

STUDY TITLE

Job Insurance Reports Validation Study, Fiscal Year 1980, Kansas

METHODOLOGY

Sampling design

Universe of workload items for the period January 1, 1979 through March 31, 1980. For certain workload items, a specified time frame within the five-quarter span will comprise the universe.

Data source

Data used were collected through the Job Insurance Program administered by the Kansas Department of Human Resources.

Methods of analysis

The study will be conducted in accordance with established methodology outlined in Chapter IV of the ETA Validation Handbook. Analysis will consist of a quantity and quality check of the workload items.

EXPECTED COMPLETION DATE

September 1, 1980

PERSON TO CONTACT

Mr. Bill Layes
Research and Analysis Section
Kansas Department of Human Resources
401 Topeka Avenue
Topeka, Kansas 66603
phone: (913) 296-5066

Problem to be Studied

At the request of ETA, Macro Systems was contracted with to perform a comprehensive study of the Administrative, Staff, and Technical Service, and Nonpersonal Service funding environment and to develop a more equitable allocation methodology for distributing these resources to the State Employment Security Agencies.

Study Title

Development of a Statistical Model for Allocation of Administrative, Staff, and Technical Service, and Nonpersonal Service (AS&T/NPS) Funds to State Employment Security Agencies.

Method

The study examines all functions funded by the AS&T and NPS allocations regardless of location within an agency's structure. Those functions which are pure AS&T and NPS functions are included in the analysis; those which are provided to support programs are removed from the analysis. The pure AS&T/NPS functions are grouped in logical categories such as premises, equipment, automatic data processing, etc. A survey instrument was designed to describe each of the functions and to retrieve the actual costs associated with those functions during FY 1977.

The major hypotheses of the study maintains that there will be measures of agency size or workload which will be related to requirements of that agency for AS&T and NPS resources. Additional data are collected which measure agency size, workload, as well as information regarding the structure of each agency. The study uses correlation and regression analysis to identify potential independent variables and to assess the degree of relationship between many measures of agency size and AS&T/NPS funding requirements. The goal of the study is to develop an equitable model for distributing AS&T and NPS resources to the SESAs. The study does not address the adequacy of the available resource nor does it attempt to formulate a justification for additional resources.

The original study of FY 1977 data was completed in April, 1979. At the request of the ICESA Board of Directors, ETA agreed that there were sufficient unresolved policy issues and questions about the study's findings to warrant a second year of data analysis. Therefore, the study is continuing with an examination of FY 1979 AS&T/NPS costs for each SESA. The analysis will attempt to validate the findings of the FY 1977 exercise, while more rigorously examining the policy issues involved in the methodology.

Data Source

Historical costs for AS&T and NPS functions within SESAs for FY 1977 and FY 1979 (collected by survey).

Expected Completion Date: April, 1980

Names Addresses of Contact Persons

Joe Nelson
ETA/DOL
Patrick Henry Bldg., Room 4003
601 D Street, N.W.
Washington, D.C. 20213
(202) 376-6250

Sandi Benbrook Bates
Research Director
ICESA
444 No. Capitol St.,NW,#126
Washington, D.C. 20001
(202) 628-5588

Problem to be Studied

At the request of the National Commission on Unemployment Compensation, ICESA, in conjunction with Macro Systems, Inc., has undertaken a comprehensive study of the current administrative funding mechanisms for the employment security system. The study analyzes and critiques the current system, reviews several alternative mechanisms and makes recommendations for consideration by the National Commission on Unemployment Compensation.

Study Title

Administrative Funding for the Employment Security System

Method

The study is composed of three separate products. The first product describes and documents the current funding mechanisms for the Unemployment Insurance system, the Employment Service, Administrative, Staff, and Technical Service, and Nonpersonal Service (AS&T/NPS) and ESAP. Additionally, the first product critiques the funding mechanisms utilized in each of these areas, examining administrative flexibility and incentives to State program operators. This phase of the study provides an unique historical document which gathers all information available about the funding mechanisms used to justify budgets, allocate resources, and administer resources.

The second product of the study surveys a wide variety of existing State and Federal administrative funding mechanisms. The basic building blocks of administrative funding discussed are: fund source, budget justification, resource allocation, program operations, and overall funding process. Some twenty programs are reviewed to show how each of the building blocks may differ and what the implications of these differences are. Finally, this phase of the study offers several alternative funding mechanisms for both the Unemployment Insurance Program and the Employment Service.

The final phase of the study will provide two discrete items. First, short term recommendations will be made which provide methods for modifying the current administrative funding procedures to improve them. The second part of the discussion will focus on long-range recommendations which may be appropriate for the employment security system.

Data Source

Data were assembled from a wide variety of ETA resources.

Expected Completion Date: April, 1980

Names and Addresses of Contact Persons

William L. Heartwell, Jr.
Executive Vice-President
ICESA
444 No. Capitol St., NW, Room 126
Washington, D.C. 20001
(202) 628-5588

Sandi Benbrook Bates
Research Director
ICESA
444 No. Capitol St., NW, Room 126
Washington, D.C. 20001
(202) 628-5588

PROBLEM STUDIED:

Design a Forecasting Model for the Illinois Unemployment Insurance System, which will:

1. Project UI coverage data
   Employer Accounts - Employment - Total Wages - and Taxable Wages expected to be covered by UI under various assumptions related to:

   a. the National and State Economy; and
   b. Statutory provisions of Act and proposed changes in State and Federal Legislation.

2. Project Income to the Illinois Unemployment Trust Fund.

   a. Private Contributing employers - experience rated and unrated. Tax schedules and Rates.
   b. Public (Local Government) Contributing employers Tax Rate.
   c. Reimbursing employers - private non-profit
   d. Reimbursing employers - public - State, and Local Govt.

3. Project Benefit Cost to the Illinois Unemployment Trust Fund based on the following:

   a. Total unemployed and rates, insured unemployed and rates, UI claimants, UI beneficiaries (first payments), weeks claimed, weeks compensated, average duration, exhaustees, average weekly benefit account per beneficiary, total benefit cost for Regular UI and State's share of Extended Benefits.

4. The problem includes integrating the three above projection areas of: coverage, income, and benefit cost so for any set of assumptions related to the economy or to changes in UI legislation, the separate and combined, or inter related, effects on all components of the Model elements (variables) and parameters will be adjusted accordingly.

Study Title: Illinois Unemployment Insurance Model (Coverage - Income-Benefit Cost)

Methodology

1. Build Historical Data Base of Illinois UI Data on Coverage, Tax data, Claims and Beneficiary Data from 1970 (or earliest possible data).

2. Analyze Data: Historical Series, trends relationships, regression equations.

3. Develop procedures for near term update in projections by quarter for current year and 4-8 quarters ahead, and procedures for long term or annual basis.

4. Develop a flexible Model to project consistent data elements for projected universe of UI coverage under varying assumptions.

Model Programs will produce an integrated series of projections for Income and Benefit Cost under various economic and UI system assumptions.

Author:

Employment Security Research Esther E. Espenshade

Availability:

Project in proposal stage for FY 1980. Harry M. Hardwick, Manager, Research and Analysis , Illinois Bureau Of Employment Security, 910 S. Michigan Ave., Chicago Illinois 60605

Problem to be studied: The influence of economic conditions on Unemployment Insurance (UI) tax rates by industry

Study title: A Study of Unemployment Insurance Tax Rates In Connecticut Under Varying Economic Conditions

Method: Develop average UI tax rates on total and taxable wages by industry and correlate with selected indicators of economic activity

Method of analysis: Develop a general simulation of the influences of economic factors on the distribution of UI tax rates by industry via regression procedures

Sampling design: Will use universe of all UI taxed accounts in Connecticut

Data source: ES-202 Report of Employment, Wages and Contributions

Expected completion date: September 1980

Contact person: Alfred Horowitz, Director
Office of Research and Information
Connecticut Labor Department
Hartford, Connecticut 06115
Telephone: (203) 566-2120

Problem Studied

Determining the effect of changes in any one or all of the following variables (1) employment; (2) taxable wage base; (3) individual employee tax rates; (4) maximum tax rate; (5) minimum tax rate; and (6) State Experience Factor on the expected tax yield of the Illinois Unemployment Insurance system.

Study Title

"Projecting Tax Yields for the Illinois Unemployment Insurance System Based on ES-204 Data--Summarized Employer Tax Data by Tax Rate."

Method

Develop flexible interactive program for linear projection of relevant variables which will accommodate various assumptions regarding the taxable wage base, maximum and minimum tax rates, and the value of the State Experience Factor

Data Source

ES-204--Employer Wages, Taxable Wages, and Contributions Summarized by Tax Rate.

Expected Completion Date

Workable program exists and has run successfully. Program requires more highly articulated tax-rate listing; such a program is currently being developed and should be tested and run by the end of the year. Further sophistication of the projection model will be undertaken when the more highly articulated data are available. June 1980.

Author

Arthur Barnes, Employment Security Research

Availability

Illinois Bureau of Employment Security
Research and Analysis
Harry M. Hardwick, Manager
910 So. Michigan Ave.
Chicago, Ill. 60605

PROBLEM TO BE STUDIED

What are the advantages to be gained for North Dakota by using the Array System?

STUDY TITLE

What advantages and disadvantages will the Array System offer for scheduling reserve ratio employers in North Dakota?

METHOD

Hypotheses to be Tested

That gains from the consistantly proportioned income provider will more than offset possible reluctant employer acceptance of a system that somewhat retards the current free rate movement in experience rating and also is difficult to individually forecast the next year.

Methods of Analysis

Using the CWBH data base consisting of (Employer's total, taxable, contributions, and benefit charges) a comparison with and without the Array System will be projected. Selected relationships will be run with regression formulae in order to establish positive correlation of useful variables.

The end result will indicate major reserve ratio changes, favorable and accurate income forecasting capability and the necessary income required per total or taxable wages.

Sampling Design

A universe by year is used.

DATA SOURCE

The CWBH file X years - X years.

EXPECTED COMPLETION DATE

February 1, 1980

AUTHOR

Richard A. Dietrich, Jr.
Job Service North Dakota
Box 1537
Bismarck, ND 58505

701-224-2868

Problem To Be Studied

Impact of Negative Balance Employers on the Experience Rating System

Study Title

Impact of Negative Balance Employers on the Experience Rating System

Method

All data for negative balance employers for data year 1980 will be compiled by employment size, industry, payroll size, negative reserve ratios, and tax rates for previous five years.

Accumulated data will be analyzed to determine if some industry divisions are consistently in a negative reserve status and, if so, recommend a method of extending the experience rating system so that these employers can be a greater source of support to the reserve fund.

Data Source

Employer Master File

Expected Completion Date

Fiscal Year 1980

Contact Person

Bob Morgan
Assistant Director for Research and Analysis
Arkansas Employment Security Division
P. O. Box 2981
Little Rock, Arkansas 72203
Telephone: (501) 371-1541

Problem to be Studied

Florida UC Fund Adequacy - The purpose of this study will be to evaluate Florida's current benefit financing methods under three different econometric projections. The three projections of economic conditions would be:

a) high economic expansion accompanied by population growth throughout the project period

b) moderate growth in both income and employment

c) a downturn in real growth of the economy in 1980 and 1981

Study Title

Projection of Florida's Benefit Cost and Financing 1980-1984

Methods of Analysis

The analysis will be done on projections made by a computer simulation model developed by the National Office of the Unemployment Insurance Service of the Department of Labor. The model will be used to forecast benefit costs, revenue financing, and resulting fund balances for the state of Florida.

Data Source

Trend analysis will be done on historical data and economic projections for Florida and the nation will be used.

Expected Completion Date

March 1980

Contact Person

Leslie Connell, Research Assistant
Florida Department of Labor and Employment Security
Division of Employment Security
Bureau of Research and Analysis
Caldwell Building
Tallahassee, Florida 32301
Telephone number - 904-488-7732

Problem to be Studied

The purpose of this study is to determine the adequacy of the reserve fund, analyze the experience-rating system, tax rates and tax schedules to determine whether solvency can be maintained on a long-range basis and to make recommendations for change, where considered desirable.

Study Title

Utah Long-Range Benefit Financing Study for 1980-1990.

Methodology

Two computer forecasting models will be designed and used in projecting the various actuarial data elements necessary to determine income, benefit costs and year-end reserve fund balance for each of ten years. In addition, data from the ES-202 Employment, Wages and Contribution Report, and the Continuous Wage & Benefit History file (CWBH) may be collected and analyzed to determine the effectiveness of the experience-rating system.

Data Source

Data will be obtained from various statistical records, ES-202 report and the CWBH file.

Expected Completion Date

It is expected that this study will be completed in July 1980.

Project Director

William R. Horner
Utah Department of Employment Security
Research & Analysis
P.O. Box 11249
Salt Lake City, Utah 84147

Telephone: 801-533-2375

PROBLEM TO BE STUDIED

Employer Contribution Options: A study will be made to determine the difference between the amounts contributed to the UC Trust Fund by individual reimbursable employers and the amounts that would have been paid by these same employers had they selected the "contributory" method of payment. Also the potential for adopting a special contribution rate as an alternative to the reimbursement option will be explored.

STUDY TITLE

An Appraisal of Current and Alternative Employer Contribution Options.

METHODOLOGY

Sampling Design:

Will review the individual account of all reimbursable employers who are state and local government entities beginning with the third quarter of 1978 and continuing through the second quarter of 1979. Political subdivisions becoming reimbursable employers more recently than the beginning of the study period will not be included in the study.

Data Source:

Data will be supplied by the Contributions and Benefit Sections, Unemployment Compensation Division (UC), and by the Data Services Division of the Department of Administration and Fiscal Control (DAFC).

Methods of Analysis:

Following the end of each calendar quarter, applicable reimbursable employers are mailed a billing statement. This document specifies the amount charged to the reimbursable employer as a result of benefits paid to their former employees during the calendar quarter covered by such billing. These notices will be reviewed to determine the total amount charged to each employer during the four (4) quarter study period. Initial claims of appropriate claimants will be studied to determine the chargeability of the reimbursable employer's account. At present, Federal and State Law prohibit the noncharging of benefits to a reimbursable employer. Had the employer selected the contributory method of payment, however, he could be relieved of charges in certain instances. It will be necessary to ascertain the break-even rate in order to determine if a special contribution rate for reimbursable employers would be practical, and a more acceptable payment method for political subdivisions.

EXPECTED COMPLETION DATE

The analysis is expected to be completed by October 1980.

CONTACT PERSON

Further information on the study can be obtained by contacting Mr. Calvin D. West, Special Assistant to the U.C. Director, Unemployment Compensation Division, Employment Security Commission, P. O. Box 2760, Casper, Wyoming 82602, Phone (307) 237-3701.

PROBLEM TO BE STUDIED

Establish a relationship between the total unemployment rate and the insured unemployment rate.

STUDY TITLE

The relationship of the T.U.R. to different variables of the I.U.R.

METHOD

Observe the trend of those variables which affect the I.U.R. to determine the effect these same variables have upon the T.U.R. if any. Universal trend of the following at various total unemployment rates and insured unemployment rates, insured unemployment and total unemployment business layoffs, business closings, production increases or decreases, total employment, total insured employment.

Data Source

Historical data available in R&A files

EXPECTED COMPLETION DATE

Fiscal Year 1981

CONTACT PERSON

John Nies, Department of Human Resources, Research and Analysis Division, 1100 N. Eutaw Street, Baltimore, Maryland 21201
Telephone number of contact person - (301) 383-5019

PROBLEM TO BE STUDIED

Non-Filing: The purpose of this study is to identify and analyze the experiences of persons with a lapse in employment who did not file a claim for unemployment benefits and to develop a more accurate proportion of non-filers in the Handbook estimation of the unemployment rate.

STUDY TITLE

An Analysis of the Experiences of a Sample Group of Kansas Delayed and Non-Filers during 1978.

METHODOLOGY

Sampling design

Selection of individuals with a break or reduction in reported earnings.

Data source

Data used were collected through the Job Insurance Program administered by the Kansas Department of Human Resources.

Methods of analysis

A quarter by quarter review of the wage base file to identify individuals with a quarter of substantially reduced earnings. A subsequent comparison with the claimant file to eliminate those with claims filed. Survey questionnaires will be sent to make inquiries about post-separation activities and reasons for non-filing. Demographic, occupational, and industry comparisons will be made.

EXPECTED COMPLETION DATE

September, 1980

PERSON TO CONTACT

Mr. Bill Layes
Research and Analysis Section
Kansas Department of Human Resources
401 Topeka Avenue
Topeka, Kansas 66603
phone: (913) 296-5066

Problem to be Studied

The purpose of this study is to determine the flexibility and usefulness of the CWBH data base in addressing research needs in the areas of UI Program Analysis, UI Management, Actuarial Research and Forecasting, and UI Workload Estimating.

Study Title

Uses of CWBH in Utah

Methodology

The CWBH Data Base will be accessed on Boeing Computer Service's system using interactive terminals. SAS and SPSS are statistical software packages which will be used to access this data. In addition, statistical files will be accessed using CAP, CULPRIT and SPSS software packages.

Data Source

Data will come from the CWBH data base as well as other statistical records available in Utah.

Expected Completion Date

It is expected that this study will be completed in July 1980.

Project Director

Ray E. Lambert
Utah Department of Employment Security
Research & Analysis
P.O. Box 11249
Salt Lake City, Utah 84147

Telephone: (801)-533-2722

PROBLEM STUDIED:

To develop historical Unemployment Insurance data series for Illinois to be used in research studies.

Study Title: Illinois Unemployment Insurance Historical Basic Data - Claims, Beneficiaries, and Benefit Cost Series - 1965-1978

Method: To collect, from 1965 on, unemployment data for claims, weeks claimed, weeks compensated, benefits paid, first payments and last payments. Once this data is collected it will be stored on computer tape for use in research studies. The first of these studies will concern the relationships and inter-relationships between the CPS unemployment rates and Illinois' UI claims activity. A second study will consider the relationship of the individual workload items to the insured unemployment rate (IUR). These relationships will then be used to develop a forecasting model for Illinois unemployment workloads and projection parameters for benefit cost in the Forecasting Model for the Unemployment Insurance System.

Completion Date: The Historical data should be on computer tape by spring 1980 and the research studies based on this data should begin then.

Author: Richard Low, Employment Security Research

Availability: Illinois Bureau of Employment Security
Research and Analysis
Harry M. Hardwick, Manager
910 South Michigan
Chicago, Illinois 60605

PROBLEM STUDIED

Systematic analysis of the data items reported quarterly in ES-202 by SIC Industry Division. Development of a model to project the value of the variables one, two, or more time periods into the future. Define and project data items on the basis of coverage--i.e., private contributing employers and private reimbursing employers. Data items include: (1) number of establishments, (2) employment, (3) total wages, (4) taxable wages, and (5) contributions maximizing comparability of data over time when timeliness requires that the data must be taken before processing is complete.

STUDY TITLE

Illinois Unemployment Historical Data Base - ES-202 Coverage Data by Industry Division, 1965-1978:

Rationalization and Systematic Analysis of ES-202 Coverage Data, 1965-1978. The first step in the Development of a Comprehensive Employment Security Research Data Base and Program Library for Routine, Periodic, Updated Analysis and Projection of Critical U.I. Variables for Illinois.

METHOD

Development of standardized routinely updatable computer files for U.I. data. Presentation of the data in two basic schema:

(1) All five data items as annual-based time series for each of the ten SIC Industry Divisions and the total for all industries;

(2) All five data items arrayed by Industry Division and the total for all industries for each year of data.

Analysis of internal relationships between each combination of paired data items for both the time series and the annual arrays. Analysis of relative importance of each industry with respect to each data item for each annual array.

Analyze the time series for trend and other variation. Determine regression equations of best fit. Test extrapolated regression equation values against actual experience. Select regression equations that minimize the duration between projected values and actual experience. The time series, annual arrays, and their respective derived relationships are to be printed out for reduction to camera ready copy.

Data source:

Summary data for each quarterly ES-202 from 1965 through 1978.

EXPECTED COMPLETION DATE:

March 1980

AUTHOR:

Arthur Barnes, Employment Security Research

AVAILABILITY

Research & Analysis
Harry M. Hardwick, Manager
Illinois Bureau of Employment Security
910 South Michigan Avenue
Chicago, Illinois 60605

PROBLEM TO BE STUDIED

Business Births and Deaths: This study examines business births and deaths in Kansas over a five-year period, 1972 to 1977. The purpose is to provide those persons interested in business trends with an analysis of business growth and decline in Kansas, which can be used as an aid in projecting the future economy of the state. Changes in the number of firms, employment, and wages from 1972 to 1977 are examined by industry division. Growth in already existing firms is compared to growth due to excess of births over deaths. The 105 counties in Kansas were then grouped into nine regions. Data on business births and deaths are also presented for these regions.

STUDY TITLE

Kansas Business Births and Deaths 1972-1977

METHODOLOGY

Sampling design

Total wages, number of employees, effective liability dates, ending liability dates (if applicable), industrial classification, and county codes for each active employer in Kansas.

Data source

Data used were collected through the Job Insurance Program administered by the Kansas Department of Human Resources.

Methods of analysis

Employer information for each quarter of the beginning and ending study years were combined to yield annual data and placed on computer tapes. Using employer account numbers, the two tapes were compared. Firms were then classified as existing firms, business births, or business deaths.

EXPECTED COMPLETION DATE

March, 1980

PERSON TO CONTACT

Mr. Bill Layes
Research and Analysis Section
Kansas Department of Human Resources
401 Topeka Avenue
Topeka, Kansas 66603
phone: (913) 296-5066

Mississippi
Business Population Study
1978 - In progress
1979 - Planned

This is a continuing research project, with study reports published on an annual basis.

PROBLEM TO BE STUDIED

The purpose of this study is to determine the types of new industries that are locating and the types of businesses being closed and those changing ownership in the state and in the various counties.

STUDY TITLE

Mississippi's Business Population - Births, Deaths, and Changes in Ownership - 1978

Mississippi's Business Population - Births, Deaths, and Changes in Ownership - 1979

METHODOLOGY

Data Sources

Computer tabulations on employer registrations and terminations, by-products of employer status operations, and employment and wages data from the ES - 202, Employment, Wages, and Contributions Report, are used for analysis of business patterns in the state and its counties.

AUTHORS

Helen Morehead, Research and Statistics Department, Mississippi Employment Security Commission

Eugene C. Brown, Research and Statistics Department, Mississippi Employment Security Commission

AVAILABILITY

On publication, copies of the study report will be available from Joseph M. McDonald, Chief, Research and Statistics, Mississippi Employment Security Commission, P. O. Box 1699, Jackson, Mississippi 39205.