

# Unemployment Insurance Trust Fund Study Commission

## MINUTES

### TENTH MEETING OF COMMISSION MEMBERS

FRIDAY, MARCH 25, 2022

**Time:** 1 PM

**Attendees:** Chairs Josh Cutler and Patricia Jehlen, Eileen McAnneny, Dan Wolf, Chris Carlozzi, Christopher Anderson, Rosalin Acosta, Bill Rennie, Brooke Thomson, Diana Estime, Shanikwa Davis, Evan Horowitz, Stephanie Herron Rice, Rick Jeffers, John Drinkwater, Karen Andreas, Steve Clark, Hannah Tanabe, Kelsey Cintolo, Rich Marlin, Carolyn Ryan

Guest Speakers: Susan Perez from the Treasurer's Office, Kaitlyn Connors from the Executive Office of Administration and Finance, Mark Attia from the Executive Office of Administration and Finance

Also Attending: Matt Blackbourn, Robert Cohen, Emily Reynolds, Matt Hartman, Cole Angley, Lilla Adams

- I. **Welcome Remarks.** Brief remarks made by Chairs Josh Cutler and Patricia Jehlen
  
- II. **Roll Call.** Chair Cutler presided over a roll call
  
- III. **Bonding Presentation Opening Remarks.** Secretary Acosta provided preliminary remarks to commission about the current state of the trust fund. Unemployment rates were frozen at schedule E, saving \$1.5 billion in additional taxes. The Department of Unemployment Assistance was forced to borrow about \$2.3 billion from the federal government in order to maintain the trust fund. In early 2021, the legislature provided authorization to Executive office of Administration and Finance (A&F) to put out a bond in order to repay any outstanding loans and replenish the trust fund. Stated that the bond would likely fall between the range of \$2 to \$3 billion.

IV. **Bonding Presentation.** Staff members from the Treasury Department and A&F presented on the bonding process. Mark Attia from A&F discussed the potential costs of bonding. The bonds have been structured to keep near-term costs for the average employer stable. Sue Perez from the Treasury Department spoke on the process of bonding. The target for closing the bonds will be in June/July of 2022. The department has already begun drafting legal documents, the preliminary offering document, the trust agreement, and the financing agreement between treasury and DUA. According to the presentation, it will take about 9 weeks to present the credit structure of the bonds to rating agencies, then the expectation is that the bond instrument will be on the market by late June or early July.

V. **Adjournment.** The Commission Adjourned at 3 PM