

Unemployment Insurance Modernization Report
January 19, 2023

From the Department of Labor and the Agency of Digital Services:

Progress update:

- Both have been trying to identify a potential vendor for the modernization of unemployment technology (UI) systems.
- Upon selection, they will update the committee with a timeline for implementation.
- State is currently moving through a procurement process, which can take anywhere from 18-24 months.
- Once chosen, the state will be provided with a roadmap and timeline for completion of the project.
- It's unlikely that a new system will be able to be implemented by July, 1, 2025.
 - Requesting that the General Assembly amend the effective date related to the changed of the UI weekly benefit amount.
- Act 183 states that July 1, 2025, be the effective date.
- Hoping to have a vendor selected in the next 45 days, at which point contract negotiations will begin.

Modernization update:

- Full project was put out to bid after it was clear that the General Assembly was going to allocate 33.5 million dollars to fund the full project.
- Putting out to bid would attract more qualified bidders.
- Without a contract in place, the Dept. cannot speculate on a completion date.
- Expect a 24–36-month development cycle.
 - But should not be considered absolute
- Asking to move or delay the effective date of July 1, 2025, for weekly benefit changes as the Department of Labor and the ADS have testified that the current UI system cannot handle such changes.
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