

UNEMPLOYMENT INSURANCE QUARTERLY RESEARCH STATUS REPORT

JULY-SEPTEMBER 1992

November 1992

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I. UI RESEARCH AND DEVELOPMENT PROJECTS

A. RESEARCH AND DEVELOPMENT PROJECTS

Study Title: Unemployment Insurance Performance Measurement Review Project

Purpose: To examine, evaluate and improve the mechanisms for performance measurement in Unemployment Insurance Service's oversight of State Employment Security Agencies (SESA) UI programs. This project has been undertaken to ensure that the Secretary of Labor's statutory responsibilities for the administration and oversight of the UI programs are being carried out effectively, and are a part of ETA's ongoing efforts to increase the financial and operational flexibility in managing their UI programs. This is a multi-year project consisting of three phases. Phase I, the design stage, includes the development of alternative performance measures and the design of a field test. Phase II will be a field test of measures to determine their operational feasibility. The field test of measures will gather a full year of performance data. Phase III will include training of SESA staff and implementation of the performance measurement system in SESAs.

Beginning Date: September 30, 1988

Ending Date: 1995 - begin Nation - wide implementation

Contractor: Phase II - to be selected

UI Monitor: William N. Coyne

Status: Cooperative Agreements were signed with six pilot States in FY '92. The States are: Hampshire, Illinois, Wisconsin, Kansas, Missouri and California. New Hampshire is seeking an evaluation contractor to be on board in early 1993. Field test of measures will gather a full year of performance data beginning in July, 1993.

Funding Source: National Activities (Phase II)

B. TECHNICAL ASSISTANCE PROJECTS

Study Title: UC Tax Auditor Training

Purpose: To develop and compile training materials be used by the State agencies to train unemployment compensation tax auditors. The training will provide State UC tax auditors with a modular instruction program to

supplement State specific programs.

Beginning Date: October 1, 1991

Completion Date: June 30, 1993

Contractor: Indiana Department of Employment and Training Services (IDETS)

Sub Contractor: White River Training Company, Indianapolis, IN.

UI Monitor: Neal Cook

Status: The Project design document and the training module have been completed subject to editing for comments submitted by the design workshop participants. The second and third training modules have been done in draft and submitted to the workshop group for comment. A second workshop of Federal and State tax experts is scheduled in Indianapolis on November 16th, 17th, and 18th.

Funding Source: UI National Activities

Study Title: Benefit Payment Control IBPC, Technical Assistance Guide (TAG) and Training

Purpose: To examine, evaluate and identify successful and cost effective method" nationwide for operating benefit overpayment prevention, detection, recovery and prosecution systems. The project will include an examination of the Automated Model Recovery and the Model Crossmatch Systems. A comprehensive BPC TAG, which serves both the intrastate and interstate programs, will be developed and associated training will be conducted for State BPC staff on the use of the newly developed TAG.

Beginning Date: October 1, 1991

Ending Date: Fiscal Year 1994

Contractor: Maryland Department of Economic and Employment Development

UI Monitor: Ginger Weight

Status: Based on the analysis of a survey instrument mailed to all States, Maryland project staff have scheduled on-site visits to five SESAs (Alabama, Arizona, Idaho, New Jersey and Wisconsin) to view their BPC operations and determine the applicability of their procedures to development of the TAG.

Funding Source: UI National Activities

II. UI DEMONSTRATION PROJECTS

Study Title: Maryland Work Search Demonstration

Purpose: The overall goals of this project are to determine the impacts of various alternative work search requirements on UI claimants and on the UI system. Specific objectives include whether increased work search stringency or relaxation speeds or hinders the return to work, and, if so, what are the impacts on the nature of the individual's job.

Beginning Date: September 27, 1991

Ending Date: March 31, 1995

Contractor: Maryland Department of Economics Employment Development (DEED), with Abt Associates

UI project Monitor: Wayne Zajac

Status: The project is several months behind schedule. Planning and preparation for the demonstration project has consumed more time than anticipated. DEED's procurement of the required ADP equipment and software needed for project operations took longer than scheduled, as did reaching agreement on the research design. Operational procedures are being finalized and the pilot phase is likely to start in February, 1993.

Funding Source: UI National Activities

Study Title Massachusetts Self-Employment Demonstration Project

Purpose: To test self-employment as an alternative use of unemployment insurance. This project which was authorized by Congress will determine the effectiveness of providing self-employment assistance to interested UI claimants to help them start their own small business. Demonstration self-employment assistance will include both weekly or biweekly self-employment allowance payments, business training, counseling, and supportive services.

Beginning Date: June 18, 1988

Ending Date: December 23, 1993

Contractor: Massachusetts Department of Employment and Training and Abt Associates, Inc.

UI Project Monitor: Jon Messenger

Status: The third and final year of project implementation began in February 1992 and will continue through April 1993. The Project is currently operating in seven local sites: Greenfield, Lowell, Milford, Northampton, Roxbury (Boston), Springfield, and Woburn.

As of October 16, statistics for third-year operations in the Massachusetts Project were as follows:

- o 185 claimants had been randomly selected into the treatment group, which is receiving self-employment assistance.
- o 183 claimants had been randomly selected into the control group.
- o 40 project participants had started their businesses.

Over the first two years of project operations, a total of 263 claimants were enrolled in the project. Thus far, nearly half of first - and second - year project participants started their own businesses.

An Interim Report on the demonstration was published in May 1992 as part of a UI Occasional Paper entitled Self Employment Programs for Unemployed Workers.

Funding Source: Administrative cost---State funds; Employment Grants-State UI Trust Fund (authorized by Congress under the demonstration legislation); Research and Evaluation--OSPPD funds.

Study Title: Washington Self-Employment Demonstration Project (SEED)

Purpose: To test self-employment as an alternative use of unemployment insurance. This project will determine the effectiveness of providing self-employment assistance to interested UI claimants to help them start their own micro-businesses. Demonstration self-employment assistance will include both lump-sum grants of business start-up capital and business training, counseling, and supportive services.

Beginning Date: September 30, 1987

Ending Date: December 1993

Contractor: Washington Employment Security Department and Abt Associates, Inc.

UI Project Monitor: Jon Messenger

Status: Enrollment of eligible claimants into the treatment and control groups ended in October 1990. Project operations ended in March 1991. The demonstration operated in six sites: Vancouver, Ring Co. (Seattle), Olympia, Snohomish Co. (Everett), Wenatchee, and Yakima.

Final statistics on the Washington SEED Project were as follows:

- o 755 claimants were randomly selected into the treatment group, which will receive demonstration self-employment assistance.
- o 752 claimants were randomly selected into the control group.
- o 450 participants received lump sum self-employment grants averaging \$4,225 to start their business.

An Interim Report on the demonstration was published in May 1992 entitled as part of an UI Occasional Paper Self-Employment Programs Unemployed Workers. An initial impact evaluation of the demonstration will be completed by Spring 1993.

Funding Source: Grants--ETA S&E; Research and Evaluation-OSPPD funds.

Study Title: ES/UI Database Linkage Projects

Purpose: The demonstration project is joint effort between UI and ES to explore the advantage(s of having an automated and integrated WI/ES applicant filing procedure and data base. The combining of the UI and ES data bases should benefit the claimant (increased opportunities for return to work, elimination of redundant requirements) as well as the employer community (quicker response time to requests for job applicants, enhanced quality of referrals, and reduced taxes through reduced duration). The agency may also benefit (improved public image, streamlining of traffic and reception functions, cultivation of UI/ES coordination, and elimination of redundant data entry).

Beginning Date: October 1, 1991

Ending Date: November, 1993

Contractor: Alaska, Colorado, Missouri, Minnesota, and Virginia State Employment Security Agencies (SESAs)

UI Monitor: Sally Ehrle

Status: The States are in various "sages of implementation. Missouri is preparing a report of findings. The College of William and Mary, under contract with the State of Virginia, is responsible for an analysis and evaluation of the Pilot projects and for conducting a symposium to present the findings of the Pilot states.

Funding Source: ES National Activities.

Study Title: New Jersey Follow-up Study II

Purpose: To conduct a second follow-up study of the long-term earnings and UI program impacts on selected participants in the New Jersey Reemployment Demonstration Project (NJUIRDP). Treatment services were: (1) job search assistance (SA); (2) SA with training or relocation allowance; and (3) SA combined with a reemployment bonus. Result" from the original NJUIRDP showed that job search assistance alone was the most effective treatment service. A follow-up study was completed in 1990 and indicated that the treatment service impacts to be measured over a seven-year period and during different economic conditions. Results will be very useful in analyzing the long-term impacts of the treatment services.

Beginning Date: June 30, 1992

Ending Date: December 30, 1994

Contractor: New Jersey Department of Labor

UI Project Monitor: New Jersey Department of Labor

Status: New Jersey Department of Labor (NJDOL) is in the process of negotiating a contract with Mathematica Policy Research, Inc. (MPR) to analyze and evaluate the data. A signed agreement is expected in January 1993. NJDOL has begun to assemble the needed data from its wage and benefit records and will provide this data to MPR for analysis by March 1993. Preliminary results are expected by June 1994.

Funding Source: Unemployment Insurance Research and Training (UI R&T)

III. DOL PROJECTS RELATED TO UI

Study Title: Geographic Shifts in the Incidence of Unemployment and Implications for Worker Adjustment Policy

Purpose: The Urban Institute is conducting a study of the geographic shifts in the incidence of unemployment to determine the implications for future regional unemployment trends for worker adjustment policy. A multiregional econometric model will be adapted to make "projection" of state unemployment in the year 2000. Estimates will be made of the worker adjustment services needed by state activity levels for the UI, ES, and JTPA programs to meet the reemployment and training needs of the unemployed in the year 2000.

Beginning Date: June 29, 1989

Ending Date: December 31, 1992

Contractor: The Urban Institute

UI Project Monitor: John Robinson

Status: The final report on Regional Labor Market Performance and U.S. Department of Labor Programs will be submitted to UIS by Wayne Vroman in December 1992.

Funding Source: Office of Strategic Planning and Policy Development (OSPPD).

Study Title: Workplace Literacy Assessment

Purpose: In an effort to improve our understanding of the literacy problem facing America, the Department of Labor has commissioned the Educational Testing Service (ETS) to conduct a two-stage workplace literacy assessment. The first phase involves assessing and profiling the literacy proficiency of the ETA client populations of the JTPA program, and the combined UI/ES beneficiaries/ applicants. During second phase, ETS will develop a test based on these assessments that is appropriate for estimating the literacy proficiency of individuals in various DOL populations. States that agreed to participate are: Alabama, Arizona, Arkansas, California, Florida, Illinois, Indiana, Kansas, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, and West Virginia.

Beginning Date: June 30, 1988

Ending Date: June 30, 1992

OSPPD Project Monitor: Mamoru Ishikawa

Status: Phase II: Construction of Workplace Test Instrument

Individual literacy test instrument is being produced in the second phase and will be available by the summer of 1992. Phase III has been added to evaluate the feasibility of implementing the use of test instrument, developed in Phase II, in the JTPA/SDA, UI/ES local office environments. Three to four local sites will be selected for this evaluation. This evaluation is rescheduled to be completed in December 1992.

Funding Source: Office of Strategic Planning and Policy Development (OSPPD).

Study Title: An Evaluation of the Trade Adjustment Assistance Program

Purpose: The project will provide a comprehensive process and impact evaluation of the trade adjustment assistance program. It will include examination of the implementation and affects of amendments to the TAA program contained in the Omnibus Trade and Competitiveness Act of 1988

Beginning Date: June 19, 1989

Ending Date: September 30, 1992

Contractor: Mathematica Policy Research, Inc.

Project Monitor: Daniel Ryan, OSPPD

Status: Limited copies of the interim report and process report are available from the monitor. Interviewing had been completed and the contractor is beginning work on the final report draft which is expected in September. Project completion date will be extended through December 1992.

Funding Source: Office of Strategic Planning and Policy Development (OSPPD).

Study Title: TAA Wane Supplement Demonstration

Purpose: The Omnibus Trade and Competitiveness Act of 1988 specified that a wage supplement demonstration project be conducted to determine: 1) attractiveness of wage

supplements various categories of workers eligible for trade readjustment allowances, 2) the effectiveness of wage supplements in facilitating the readjustment of workers adversely affected by imports, and 3) whether a supplemental wage allowance should be an option under the trade adjustment assistance program.

Beginning Date: May 21, 1990

Ending Date: May21, 1995

Contractor: Mathematica Policy Research, Inc., Ohio Bureau of Employment Services

OSPPD Project Monitor: Eileen Pederson

Status: Project is in the final stages of the design phase. The evaluation contractor has prepared a design report for the demonstration. The Department of Labor has resolved most outstanding legal issues and is reviewing planned demonstration procedures and activities in light of the proposed extended unemployment compensation benefits.

Funding Source: Federal Unemployment Benefit Account wage supplements; UI National Activities for wage supplements administration; OSPPD funds for evaluation.

Study Title: Evaluation of Colorado's Transition to Telephone Claim Processing

Purpose: The Colorado Department of Labor & Employment began processing all initial unemployment insurance claims over the telephone in April 1991 and eliminated UI claim processing functions from all Job Service local offices throughout the state. This study will utilize information from required reports, the Benefits Quality Control Program, and a survey of UI claimants to monitor and evaluate agency operations under this new procedure.

Beginning Date: December 1990

Ending Date: March 1993

Contractor: Mathematica Policy Research, Inc. (survey only)

UI Project Director: C. Douglas Scott

Interim report completed and reviewed by Federal and State staff. Survey completed by Survey results will be included in a second interim report and include an analysis of Colorado's experience with EUC claim