

BRIEF SUMMARY OF COSTS RELATED TO ASSESSMENT OF UNEMPLOYMENT INSURANCE TAXES

Below is a brief summary of on-going costs related to assessment of unemployment insurance taxes. This summary is based on information provided by the Employment Security Department.

Budget for Unemployment Insurance Program Administration

For FY 2007, the budget for unemployment insurance program administration is estimated to be \$71,974,810. The budget varies from year to year, however, depending on the claims workload.

Costs for Collecting Unemployment Insurance Taxes

For federal FY 2007, on-going operating costs for collecting unemployment insurance taxes and reimbursements total 218.7 FTEs and \$18,218,300. The following table shows these costs by component. Note that these totals and the table exclude the cost of setting tax rates and the multi-million dollar cost of technology systems.

Division	Annual FTEs	Federal FY 2007 Cost
Unemployment Insurance Division <small>(Includes the following: UI Tax & Wage Administration; Experience Rating and Benefit Charging (ER-BC); Underground Economy; SUTA Dumping; Compliance; Status Unit; Computer Audits & Special Projects; Employer Accounts/Tax Audit; Specialized Audit Wage Detail Unit; DESR/UI Imaging; Tax Policy, Training, & Outreach; District Tax Office (DTO) Field Operations; and District Tax Offices (DTOs).)</small>	195.0	\$13,706,700
Information Technology Services Division (ITSD) <small>(Includes the following: UI Tax Systems; ITSD Tax and Wage Technology; Field IT Support; and Department of Information Services (DIS).)</small>	21.8	\$3,592,300
Budget, Policy and Communications Division <small>(Includes the following: Mail Management; Postage Costs; ESD Treasurer's Office; and Banking Costs Related to Tax Collection.)</small>	3.0	\$964,700
Total Estimated Annual Operating Costs	218.7	\$18,218,300

Costs for Collecting Unemployment Insurance Reimbursements

For federal FY 2007, on-going operating costs for collecting unemployment insurance reimbursements are estimated to be 0.5 FTE and \$31,600.

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