



## Iowa Workforce Development

**For Immediate Release**

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### **Iowa Receives Over \$3 Million in Improvement Grants While Unemployment Insurance Turns 70**

DES MOINES, IOWA – In 1935, Congress passed the Social Security Act that created, in part, a federal-state system of unemployment insurance. This has provided Iowans with an economic safety net while pursuing a new field of employment. “Unemployment Insurance is a critical aspect of maintaining the economic security of Iowans and their community when faced with an unexpected job loss”, indicated Governor Vilsack. “Without this level of support, the economic effects on Iowa communities could be detrimental.”

The Department of Labor recently awarded over \$63 million in grants to states for continued enhancements in the UI systems. “Iowa received over \$3 million in funds, with a significant portion dedicated to enhancing our fraud and identity theft prevention abilities”, stated Iowa Workforce Development Director Richard Running. “The new technologies being established will benefit businesses and citizens alike.”

Some examples of the UI system enhancements are access to the National Directory of New Hires. This is a federal database system that will allow the state to prevent individuals from receiving unemployment insurance benefits in Iowa while going to work in another state. Implementation of newly developed validation and auto coding technologies that significantly enhancing the processing speeds of unemployment insurance. New technologies for preventing identity theft, data hacking and physical security will be added to the existing UI security measures. Additionally, Real Time Address Validation will take place. This technology allows Iowa Workforce Development to diminish fraudulent claim and submission errors, improving on the accuracy and processing speeds for everyone. Finally, additional system enhancements will decrease the potential for employers to move employees between companies to avoid paying portions of their unemployment insurance tax.

Iowa Workforce Development serves the workforce needs of Iowans and businesses at more than 70 local service offices and online at [www.iowaworkforce.org](http://www.iowaworkforce.org). For more information on IWD’s services, contact your local Iowa Workforce Development Center.

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