

The

WORKFORCE WIRE

News, events, and success stories about workforce programs in Iowa

Lower Cost, Better Service on the Way for Unemployment Insurance in Iowa



IWD staff with Gov. Reynolds after the signing of SF607.

Iowa employers and workers in search of new jobs will experience some major changes in Iowa's unemployment insurance system in the coming weeks.

A pair of once-in-a-generation improvements are making unemployment insurance a simpler and more convenient process for everyone in Iowa, while simultaneously returning a projected \$974 million to Iowa employers over the next five years.

The changes include:

- A new computer system that went online June 3 combining unemployment benefits applications with the job search tools at iowaworks.gov. This is creating a simpler and more efficient system to replace computer programs that have been running, in some form, for more than 50 years.
- New legislation signed into law on June 5 that restructures Iowa's unemployment insurance tax system. Starting in January, Iowa employers will be paying lower unemployment payroll tax rates on a smaller portion of their employees' salaries, enabling businesses to find new ways to avoid layoffs in the first place.

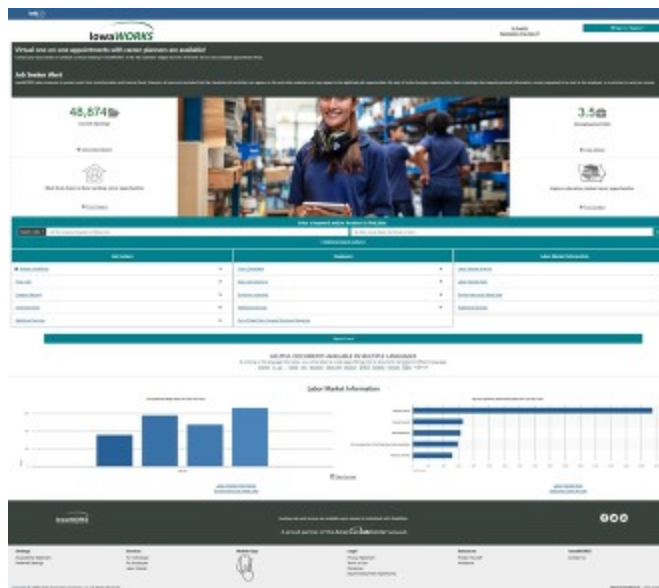
Read below for details about each of these major changes and the potential impacts they could have on Iowa's economy.

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UPGRADED: New Unemployment Computer System Combines Claims, Job Search at www.iowaWORKS.gov

Iowa's new unemployment insurance computer system is expected to save time and effort for employers, unemployment claimants, and IWD staff alike by being simpler and more efficient than what Iowa has been using for more than five decades.

The new system, which went live on June 3, merges functions that previously took place on two separate websites. Before this month, jobless Iowans had to file their claims in one system while reporting required work search activities on another. Now, everything is happening on www.iowaWORKS.gov.



“This is going to be a lot better,” said Scott Perkins, IWD’s division administrator for Unemployment Insurance. “The new system is going to save claimants a lot of time by putting all unemployment decisions in the same place.”

IWD experienced an increase in calls to the Unemployment Insurance Helpline on June 3, but caller wait times dropped throughout the week as users became more comfortable with logging into the new system.

Among other things, the new system helps those seeking unemployment benefits by simplifying steps and making it easier to keep track of job search information. It also will make the process more efficient over the long term by collecting more information from claimants and employers up front, eliminating the need for IWD staff to intervene at later steps to collect more details.

“For several years, IWD has been working hard to improve the unemployment process for Iowans and make navigating it as easy as possible so people can focus on what matters most – finding a promising career that matches their skills and goals,” said Beth Townsend, Executive Director of Iowa Workforce Development. “Modernizing our unemployment system is the culmination of a lot of thoughtful work, and we’re excited to combine our systems in one central location on iowaworks.gov. Once live, this system will greatly enhance the experience for both individuals and employers and will help place them both in positions that will ultimately benefit our entire workforce.”

Employers who use the new system will find significant benefits in having all appellate information available electronically, IWD officials say. Previously, the agency mailed paper notices to claimants and employers if one side or the other appealed a decision about eligibility for benefits. The process took several days for paperwork to get through the mail, forcing all parties to wait. Now, once employers log in, protesting claims and filing appeals can all take place in IowaWORKS.gov.

Read our webpage to learn more about [Accessing the new Unemployment System in IowaWORKS](#).

SIGNED: New Law to Return Roughly \$940M to Businesses (Over 5 Years) via Lower Unemployment Insurance Taxes



Starting in January, Iowa employers will save between 40 to 60 percent annually on their unemployment payroll taxes thanks to new legislation signed by Iowa Gov. Kim Reynolds.

The law, Senate File 607, revamps taxes that Iowa employers pay on their employees' wages to fund the state's Unemployment Insurance Trust Fund. It does

this by lowering rates and cutting the taxable wage base (the portion of wages that are taxed) in half.

The reduction was a major legislative priority for Gov. Reynolds, who signed the bill on June 5 at US Erectors, a Pleasant Hill-based company that expects to save roughly \$85,000 next year. Brad Churchill, CEO of US Erectors, said he was "genuinely excited" when he learned about SF607 and praised the "forward thinking" of Iowa officials.

"This legislation provides meaningful relief to employers across Iowa, while maintaining a full scope of benefits for employees in their time of need," he said.

IWD Executive Director Beth Townsend said plans for tax reduction originated during the COVID-19 pandemic, when the governor called for revamping Iowa Workforce Development into an agency focused on reemployment.

Townsend and Reynolds noted that IWD's Development Case Management

Townsend and Reynolds noted that IWD's Reemployment Case Management program, which provides a broad spectrum of individually focused job search assistance to unemployed Iowans starting the week after they first file for unemployment, had lowered the length of an average unemployment claim by roughly four weeks since it launched. Getting people back to work more quickly has translated to lower costs for the unemployment program, they said -- to the point where Iowa now has the ninth largest unemployment insurance trust fund despite ranking 32nd in population. Thus, the system can afford to collect less.

Under the new law, Iowa employers will pay a maximum unemployment insurance tax rate of 5.4 percent in calendar year 2026, down from 9.0 percent. That rate will be multiplied by a taxable wage base that will fall to \$20,400 in calendar year 2026, down from \$39,500 in 2025.

"I believe we've sent a clear message that Iowa is open for business and open for opportunity," Reynolds said.

The governor also thanked Director Townsend for "all of the work she's done to get this bill across the finish line" and "all that you and your team did to ensure the solvency of the trust fund going forward."

Reynolds praised the willingness of IWD staff to run projection after projection exploring what might happen to the trust fund in various economic circumstances with the lower rates. "You ran a lot of runs," the governor said. "We used a lot of different dynamics, a lot of different scenarios... so we could be confident that this fund will be there for our future workforce."

For more, read about [Unemployment Insurance for Employers](#) or read the [text of Senate File 607](#).

VIDEO: Spencer Floods of June 2024



Major weather events can have an impact far beyond the initial storm. [Click the](#)

Major weather events can have an impact far beyond the initial storms. [Click the image above](#) to learn how staff in the Spencer IowaWORKS office helped their community recover from the major flooding there last year.

HealthCare Grants: \$2.9M to Increase credentials

Nearly 400 Iowans are expected to receive new training to obtain high-valued health care credentials as part of \$2.9 million in grants recently announced by Iowa Gov. Kim Reynolds.

The grants, which were awarded at the end of May, will help Iowa grow its healthcare workforce across the state.

The money will provide financial support for 14 projects that are creating pathways to high-demand jobs, including helping employees obtain Registered Nursing (RN) training and licensure while working and programs adding positions for increasingly essential health care technicians.

“IWD often encounters Iowans who are interested in a high-demand career but don’t have the time or resources to step out of the workforce for the amount of time it



<https://workforce.iowa.gov/labor-market-information/career-exploration/data>

Iowa's Career Explorer Adds Knowledge to Your Next Job Search

Iowa Workforce Development recently launched a new online tool to help job seekers explore potential occupation opportunities across the state.

[Iowa's Career Explorer](#) is a comprehensive search tool created by IWD's Labor Market Information division to help Iowans understand the kinds of careers available in this state, the wages that normally go along with them, and what skills and experience levels are required to obtain them.

Users first select an Iowa county (or the state as a whole), then choose an occupation from a list. The site will then tell you, for example, that motorcycle mechanics in Polk make an estimated \$35,355 to \$49,514 per year, depending on experience, and can expect job opportunities to grow by 1.3 percent annually. You also are presented with typical

traditionally takes to complete a training program,” said Beth Townsend, Executive Director of Iowa Workforce Development.

“The programs supported by this new grant are a welcome addition that not only provides career growth for many more Iowans but also supports the healthcare positions that are greatly needed in so many Iowa communities.”

Funding will help build Iowa’s workforce of Registered Nurses, Licensed Practical Nurses, Certified Medical Assistants, and more. **For more information about specific programs, see this [list of 2025 Healthcare Credentialing Grant Awardees](#).**

requirements for getting hired (including education and experience) and a list of the top work activities that a motorcycle mechanic is required to do. Videos provide more descriptions of the work done, job requirements, and what people can expect when working that job.

Additional tabs on the website also provide examples of similar jobs for you to consider. You can compare potential new careers side-by-side or search by certain specific factors (such as only the most in-demand jobs, those that qualify for scholarships, or those above a certain minimum wage).

“Career Explorer is premised on the fact that you can’t find the perfect career for you until you know that career exists and what it entails,” said Ryan Murphy, IWD’s division administrator for Labor Market Information. “This is a tool to help Iowans explore the possibilities and learn more about careers that they might never have considered before.”

For more information, visit [Career Explorer](#).

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- Upload your resume
- Explore telework options
- Connect with IowaWORKS staff



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WHO WE ARE AT IWD

“LMI is the premier source of labor force information in Iowa, but a lot of people may not know we exist,” said Division Administrator Ryan Murphy. “Whether you’re an employer wondering if your wages are competitive or a recently unemployed worker searching for that next job or exploring a new career, we have information that can help make your search easier. We exist to help Iowans understand labor market conditions and make informed decisions.”

featuring... **Labor Market Information division (LMI)**

Bureau: Labor Market Information division (LMI)

Description: LMI gathers, analyzes, and publishes information on Iowa’s economy and workforce for use by students, jobseekers, businesses, policy makers, and researchers.

Staff: 30, led by Division Administrator Ryan Murphy

What It Does: IWD’s Labor Market Information Division is the chief resource for economic leaders seeking information about Iowa’s workforce, industries and jobs. The division works in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics (BLS) and other state agencies to produce, analyze, and publicize data on Iowa’s labor force, employment, unemployment, wages, earnings, industries, and occupations. LMI provides this information through its website, www.iowalmi.gov, through regular public reports, and at customer request.



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