



Exploring Unemployment Insurance (UI) Program Options for Guam: Options Brief

SUMMARY

In 2023, the Chief Evaluation Office (CEO), partnering with the [Employment and Training Administration \(ETA\)](#) and the [Guam Department of Labor](#), commissioned Summit Consulting, LLC, to understand the feasibility of implementing an unemployment insurance (UI) program in Guam. The study aimed to identify factors to consider in the design and implementation of a UI program and determine potential program design options to provide temporary financial assistance to qualified unemployed workers until their return to work. To explore the feasibility of UI program in Guam, Summit reviewed relevant literature and policy, analyzed secondary data, conducted interviews with experts on UI and Guam, and fielded a survey with a purposive sample of employers.

This Department of Labor-funded study contributes to the labor evidence-base to inform [data, methods, and tools](#) and [unemployment insurance](#) programs and policies as well as addresses Departmental strategic goals and priorities.

This brief presents findings from the exploratory study to examine the feasibility of implementing a UI program in Guam. It identifies factors relevant to UI program implementation in Guam and describes five potential UI program design options, specifying how the factors would work for Guam depending on program design option.

The brief is accompanied by a [technical appendix](#) that describes the study in more depth, including the methodology and limitations, and presents the data analyzed that support the information provided in the brief.

KEY TAKEAWAYS

- The factors Guam will need to consider prior to implementation, regardless of UI program design, include the legal requirements, funding source for benefits, eligibility requirements of unemployed workers, benefit amounts, support and resources for the program, and program integrity
- The study identified five potential design options for Guam to consider:
 1. The **Federal-State Unemployment Compensation (UC) Program** design option would implement the traditional UI design used by 53 jurisdictions in the United States. With this design, the federal government provides some funding for program administration, while Guam would administer and fund the program, which most jurisdictions do through employer taxes.
 2. The **federal joint-state UI program** design option would allow Guam to partner with a state or territory already operating a Federal-State UC



Exploring Unemployment Insurance (UI) Program Options for Guam: Options Brief

Program to share administrative resources, expertise, and possibly even funding sources.

3. The **non-federal permanent UI program** design option would allow Guam to create a program outside of the federal system, meaning it would be solely responsible for designing, supporting, and funding this program.
4. The **non-federal temporary UI program** design option would allow Guam to develop a program that is responsive during periods of high unemployment and is triggered based on economic indicators identified by Guam (e.g., downturn in tourism from East Asia).
5. The **non-federal industry-specific UI program** design option would allow Guam to provide coverage to workers in industries that are most vulnerable to economic volatility and layoffs.

[SEE FULL STUDY](#)

TIMEFRAME: 2023-2024

PARTNER AGENCY: Employment and Training Administration and
Guam Department of Labor

SUBMITTED BY: Summit

SPONSOR: Chief Evaluation Office

DATE PREPARED: October 2024

CEO CONTACT: ChiefEvaluationOffice@dol.gov

The Department of Labor's (DOL) Chief Evaluation Office (CEO) sponsors independent evaluations and research, primarily conducted by external, third-party contractors in accordance with the [Department of Labor Evaluation Policy](#). CEO's [research development process](#) includes extensive technical review at the design, data collection and analysis stage, including: external contractor review and OMB review and approval of data collection methods and instruments per the Paperwork Reduction Act (PRA), Institutional Review Board (IRB) review to ensure studies adhere to the highest ethical standards, review by academic peers (e.g., Technical Working Groups), and inputs from relevant DOL agency and program officials and CEO technical staff. Final reports undergo an additional independent expert technical review and a review for Section 508 compliance prior to publication. The resulting reports represent findings from this independent research and do not represent DOL positions or policies.