

Fiscal Estimate - 2011 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|---|---|
| LRB Number 11-2772/2 | Introduction Number AB-0310 |
| Description Various changes in the unemployment insurance law, providing a penalty, and making appropriations | |
| Fiscal Effect | |
| State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs | |
| Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input checked="" type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |
| 5.Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts | |
| Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS | |
| Agency/Prepared By DWD/ Ben Peirce (608) 266-3635 | Authorized Signature Georgia Maxwell (608) 266-2284 |
| Date 10/21/2011 | |

Fiscal Estimate Narratives

DWD 10/21/2011

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|---|------------------|---------------------|----------------|---------------|-----------------|
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Assumptions Used in Arriving at Fiscal Estimate

The bill provides for numerous changes to the Unemployment Insurance [UI] program. The overall impact of the bill is estimated to be total net cost savings to the program of \$11.1 million per year. Of that amount, net savings of approximately \$253,000 will be realized by state and local government units. The balance of the net savings would be realized by reduced UI benefit charges to private employers.

Furthermore, the bill would create a penalty for UI fraud, which is estimated to generate approximately \$319,000 of new revenue annually.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

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|--|--|--|------------------|
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| Description Various changes in the unemployment insurance law, providing a penalty, and making appropriations | | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | | |
| DWD estimates one time costs of approximately \$300,000 to implement the provisions of this bill. | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | |
| | | Increased Costs | Decreased Costs |
| A. State Costs by Category | | | |
| State Operations - Salaries and Fringes | | \$1,600 | \$-50,000 |
| (FTE Position Changes) | | | |
| State Operations - Other Costs | | | |
| Local Assistance | | | |
| Aids to Individuals or Organizations | | | |
| TOTAL State Costs by Category | | \$1,600 | \$-50,000 |
| B. State Costs by Source of Funds | | | |
| GPR | | 928 | -29,000 |
| FED | | 160 | -5,000 |
| PRO/PRS | | 352 | -11,000 |
| SEG/SEG-S | | 160 | -5,000 |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | | |
| | | Increased Rev | Decreased Rev |
| GPR Taxes | | \$ | \$ |
| GPR Earned | | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | 319,000 | |
| TOTAL State Revenues | | \$319,000 | \$ |
| NET ANNUALIZED FISCAL IMPACT | | | |
| | | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | | \$-48,400 | -\$205,000 |
| NET CHANGE IN REVENUE | | \$319,000 | \$0 |
| Agency/Prepared By | | | |
| DWD/ Ben Peirce (608) 266-3635 | | Authorized Signature | |
| | | Georgia Maxwell (608) 266-2284 | |
| | | | Date |
| | | | 10/21/2011 |