Fiscal Estimate - 2013 Session

×	Original		Updated		Corrected		Supplementa	al
LRB	Number	13-2102/1		Intro	duction Num	ber A	B-0184	
			nade by the fede	eral govern	ment to the unen	nployment	reserve fund a	and
Fiscal	Effect							
	No State Fiscondeterminate Increase E Appropriat Decrease Appropriat Create Ne	Existing ions Existing	Revenu Decreas Revenu	se Existing	to abs	ase Costs sorb withir Yes ease Costs	- May be poss n agency's bud ☑N s	lget
	No Local Gov Indeterminate 1. Increase Permiss 2. Decrease	e Costs ive M andato	3. Increase ory Permiss 4. Decrease	se Revenu	Gover Andatory A Co	owns Dunties	its Affected Village Others WTCS Districts	Cities
Fund	Sources Affe		PRS 🛭 SE	:G 🛛 S	Affected CI	h. 20 Appı	ropriations	
Agend	y/Prepared I	Ву	Au	ıthorized	Signature		Date	
DWD/	Jill Moksouph	nanh (608) 264	-8751 Jo	nathan Ba	rry (608) 267-320	00	5/9/20	013

Fiscal Estimate Narratives DWD 5/9/2013

LRB Number	13-2102/1	Introduction Number	AB-0184	Estimate Type	Original		
Description							
Payment of interest on advances made by the federal government to the unemployment reserve fund and							
making an appropriation							

Assumptions Used in Arriving at Fiscal Estimate

LRB 13-2102/1 creates a one-time appropriation in the amount of \$26 million from GPR to pay federal interest charges due to the federal government prior to 07/01/2015, on outstanding advances made to the UI trust fund. The use of these GPR funds would supersede the requirement under current law that employers cover these federal interest payments through special assessment payments known as SAFI. If the \$26 million together with other available sources is not enough to cover the interest payments, each employer must pay an assessment in the amount determined by DWD sufficient to cover the deficiency.

Federal loan interest payments are estimated to be \$19 million in 2013 and \$7 million in 2014. Based on those estimates, in 2013 this proposal would provide approximately \$16.9 million in savings to private employers, \$450,000 in savings to the state through reimbursable employers and \$1.6 million to local governments. In 2014, this proposal would provide approximately \$6.2 million in savings to private employers, \$164,000 in savings to the state through reimbursable employers and \$600,000 to local governments.

Long-Range Fiscal Implications

The proposal will provide a short term savings to employers; however there is no trust fund impact as SAFI interest payments do not affect the UI trust fund.

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

X	Original		Updated		Corrected		Supplemental
LRE	3 Number	13-2102/	1	Intro	duction Nun	nber	AB-0184
Payr	cription nent of interest making an app		made by the fe	deral gov	ernment to the ι	ınemplo	yment reserve fund
	e-time Costs ıalized fiscal (mpacts for Sta	te and/oi	Local Governr	nent (de	not include in
interest that cas S. payn cove million employed employed employed employed approximation approximation interest that can be a second approximation approxima	est charges du Il trust fund. The employers covo. AFI. If the \$26 ments, each en the deficiency on in 2014. Basen in savings to covers and \$1.6 million in savinoyers and \$60 overs; however Eliminating S.	e to the federate use of these er these federation togethe polyer must pay. Federal loans sed on those exprivate employments to private employments and the private emp	al government pee GPR funds what interest paymer with other average an assessment interest paymers and interest paymers are stimates, in 20 payers, \$450,000 al governments employers, \$16 payernments. The governments are fund impact polyers in 2013	orior to 07 ould super nents thro ailable so ent in the ents are e	/01/2015, on out rsede the requir ugh special asseurces is not eno amount determinated to be \$ posal would proposal would proposal will provide a interest payment will also save to the stay will also save to the save th	estanding ement usessment usessment uigh to coined by I in 19 million ovide appropriate through resistant to short to the design of the design	vide approximately gh reimbursable erm savings to of affect the UI trust
· ·	nualized Cos			•	Annualized Fig	scal Imp	oact on funds from:
		<u></u>			Increased Costs	3	Decreased Costs
A. S	tate Costs by	Category					
St	ate Operations	- Salaries an	d Fringes		\$	T	\$
(F	TE Position Ch	nanges)					
St	ate Operations	- Other Costs	3				
Lo	cal Assistance)					
Ai	ds to Individua	ls or Organiza	tions				
	TOTAL State	Costs by Cat	egory		\$		\$
B. S	tate Costs by	Source of Fu	nds				
GI	PR						
FE	D						
PF	RO/PRS						
SE	EG/SEG-S						
			this only when		l will increase (or decre	ease state
					Increased Rev	/	Decreased Rev
GI	PR Taxes				\$		\$
GI	PR Earned						
FE	D						
PF	RO/PRS						
SE	EG/SEG-S						
	TOTAL State	Revenues			\$		\$

NET ANNUALIZED FISCAL IMPACT					
	<u>State</u>	Loca			
NET CHANGE IN COSTS	\$	(
NET CHANGE IN REVENUE	\$	\$			
		,			
A 2000. 2 1000.	1				
Agency/Prepared By	Authorized Signature	Date			