

Fiscal Estimate Narratives

DWD 4/19/2017

LRB Number	17-1809/1	Introduction Number	AB-0131	Estimate Type	Updated
Description Exemption from work search requirements for certain individuals claiming unemployment insurance benefits					

Assumptions Used in Arriving at Fiscal Estimate

Under current law if an Unemployment Insurance claimant can reasonably expect to return to employment with their previous employer, they may qualify for a waiver from the work search requirement. Current law limits the number of weeks the exemption can be claimed to 8 weeks with a possibility of a 4 week extension with former employer verification of a recall to employment. The bill states that a claimant is exempt from the work search requirement for up to 26 weeks.

The one-time IT changes needed to implement the law will take 84 hours for a total \$7,300 and \$2,200 in administrative costs.

The law change is estimated to cost the Unemployment Insurance Trust Fund \$3,170,000 annually. The 2015 Session estimate of an identical law change relied on claimant data available at the time. An additional year of data has since been collected and the estimate has been adjusted accordingly.

The United States Department of Labor has issued an informal opinion that the changes made by the bill could cause state law to fail to conform to federal requirements putting federal administration dollars at risk.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Exemption from work search requirements for certain individuals claiming unemployment insurance benefits		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): The one-time IT changes needed to implement the law will take 84 hours for a total \$7,300 and \$2,200 in administrative costs. The United States Department of Labor has issued an informal opinion that the changes made by the bill could cause state law to fail to conform to federal requirements putting federal administration dollars at risk.		
II. Annualized Costs:		
Annualized Fiscal Impact on funds from:		
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		
Date		
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