

**STATE
FISCAL IMPACT**

Drafting Number: LLS 08-1000

Date: March 13, 2008

Prime Sponsor(s): Sen. Veiga
Rep. Carroll T.

Bill Status: Senate Business, Labor, and Tech.
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING AN EXCEPTION TO THE REQUIREMENT THAT DECISIONS BE ISSUED ON EVERY CLAIM SUBMITTED FOR UNEMPLOYMENT BENEFITS.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
State Revenue	\$0	\$0
State Expenditures		
Federal Funds	(\$212,485)	(\$231,605)
FTE Position Change	(3.7) FTE	(4.1) FTE
Effective Date: Upon signature of the Governor or upon becoming law without his signature.		
Appropriation Summary for FY 2008-2009: See State Appropriations section of the fiscal note.		
Local Government Impact: None.		

Summary of Legislation

This bill adds an exception to the requirement that decisions be issued on every claim submitted for unemployment benefits. If after filing an initial claim, a claimant does not file a continued claim, no decision is required to be issued.

State Expenditures

Federal funds expenditures are expected to decrease by \$212,485 and 3.7 FTE in FY 2008-09, and \$231,605 and 4.1 FTE in FY 2009-10. The Department of Labor and Employment will adjudicate 16,690 fewer claims in FY 2008-09 and 17,191 fewer claims in FY 2009-10 which allows for a reduction in staff and postage costs. It does not change the eligibility of someone receiving benefits, so has no effect on the Unemployment Insurance Trust Fund.

Cost Components	FY 2008-09	FY 2009-10
Personal Services	(\$159,651)	(\$176,911)
FTE	(3.7)	(4.1)
Operating Expenses	(52,834)	(54,694)
TOTAL	(\$212,485)	(\$231,605)

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, funding for the items noted below will not be included in fiscal note expenditure estimates. However, indirect costs are calculated to reflect the total direct and indirect costs required to support a particular program.

- group health, life and dental insurance
- short-term disability
- amortization equalization disbursements
- supplemental amortization equalization disbursements

State Appropriations

While the General Assembly does not appropriate federal funds, this will result in a reduction of \$212,485 and 3.7 FTE for FY 2008-09.

Departments Contacted

Labor and Employment