

**STATE
FISCAL IMPACT**

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| Drafting Number: LLS 13-0557 | Date: January 28, 2013 |
| Prime Sponsor(s): Reps. Melton; Exum Sen. Tochtrop | Bill Status: House Business, Labor Economic and Workforce Development |
| | Fiscal Analyst: Clare Pramuk (303-866-2677) |

TITLE: CONCERNING LESSENING THE REDUCTION OF UNEMPLOYMENT INSURANCE BENEFITS REQUIRED WHEN A CLAIMANT WITHDRAWS AMOUNTS FROM A RETIREMENT PLAN AS A RESULT OF UNEMPLOYMENT.

| Fiscal Impact Summary | FY 2013-2014 | FY 2014-2015 |
|----------------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| State Revenue | | |
| State Expenditures Cash Funds Unemployment Insurance Trust Fund | See State Expenditures section. | |
| FTE Position Change | | |
| Effective Date: Upon signature of the Governor, or upon becoming law without his signature. | | |
| Appropriation Summary for FY 2013-2014: None required. | | |
| Local Government Impact: None. | | |

Summary of Legislation

Under current law, if an unemployment insurance (UI) claimant withdraws any moneys from an employer-sponsored retirement plan, the full balance of the claimant's account is used to determine the length of time the claimant must wait to become eligible to receive UI benefits. This bill requires that the Department of Labor and Employment use only the amount withdrawn and not reinvested to determine the number of weeks that the claimant's benefits are postponed.

State Expenditures

This bill may have a minimal fiscal impact on the Unemployment Insurance Trust Fund but information on delays caused by retirement withdrawals are not tracked. If a claimant exhausts his or her state UI benefits, then there is no fiscal impact from reducing the delay in that claimant receiving benefits. For a claimant who becomes employed prior to exhausting his or her benefits, the reduced delay will result in an increase in benefits paid because the claimant began receiving benefits earlier and so collected more.

Departments Contacted

Labor and Employment

Personnel and Administration