

STATE FISCAL IMPACT

Note: This fiscal note is provided pursuant under Joint Rule 22 (b) (2) and reflects strike-below Amendment L.001.

Drafting Number: LLS 14-0107	Date: March 3, 2014
Prime Sponsor(s): Sen. Heath Rep. Hulinghorst	Bill Status: Senate Business, Labor & Technology Fiscal Analyst: Clare Pramuk (303-866-2677)

SHORT TITLE: CONTINUATION ENHANCED UNEMPLOYMENT INS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016	FY 2016-2017
State Revenue			
State Expenditures	<u>\$4.0 million</u>	<u>\$4.0 million</u>	<u>\$4.0 million</u>
General Fund	4.0 million	4.0 million	4.0 million
FTE Position Change	0.3 FTE		
Appropriation Required: \$4.0 million - Department of Labor and Employment (FY 2014-15)			

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill extends until July 1, 2017, enhanced unemployment insurance (UI) compensation benefits for eligible unemployment insurance claimants engaged in an approved training program for entry into an occupation. Under current law, the Colorado Department of Labor and Employment (CDLE) can obligate \$8.0 million over two years, ending June 30, 2014, for enhanced UI benefits paid from the UI Trust Fund. This bill authorizes the CDLE to obligate \$12.0 million General Fund over three years ending June 30, 2017, with a maximum of \$4.0 million expended per fiscal year.

State Expenditures

This bill is expected to increase General Fund expenditures for the Division of Unemployment Insurance (division) in the CDLE by \$4.0 million per year from FY 2014-15 through FY 2016-17. The fiscal note assumes that 1,200 people will receive enhanced benefits annually. Expenditures are detailed in Table 1 below.

CDLE, Division of Unemployment Insurance. For FY 2014-15 only, the division requires \$25,373 in personal services costs and 0.3 FTE to analyze and modify the UI computer system to continue enhanced UI benefits. The reporting requirements of the bill can be addressed with existing appropriations.

Table 1. Expenditures Under SB 14-057			
Cost Components	FY 2014-15	FY 2015-16	FY 2016-17
Personal Services	\$21,759		
FTE	0.3		
Enhanced UI Benefits	3,974,627	\$4,000,000	\$4,000,000
Centrally Appropriated Costs*	3,614		
TOTAL	\$4,000,000	\$4,000,000	\$4,000,000

*Centrally appropriated costs are not included in the bill's appropriation.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2. These costs are for FY 2014-15 only.

Table 2. Centrally Appropriated Costs Under SB 14-057*	
Cost Components	FY 2014-15
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$2,103
Supplemental Employee Retirement Payments	1,511
TOTAL	\$3,614

*More information is available at: <http://colorado.gov/fiscalnotes>.

Effective Date

The bill takes effect July 1, 2014.

State Appropriations

For FY 2014-15, the CDLE requires a General Fund appropriation of \$4.0 million and authorization for 0.3 FTE.

State and Local Government Contacts

Labor and Employment