

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING UNEMPLOYMENT INSURANCE.

Prime Sponsors: Sens. Hansen and Winter

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Appropriation Items of Note

Appropriation Not Required, No Amendment in Packet

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 06/04/20.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2020-21.

Points to Consider

Related Budget Information

As indicated in the Legislative Council Staff Fiscal Note dated March 9, 2020, the bill is expected to increase expenditures from the Unemployment Insurance Trust Fund by an estimated \$18.0 million in FY 2020-21 and FY 2021-22. The Unemployment Insurance Trust Fund is expected to be insolvent or close to insolvent by end of FY 2019-20; the State will borrow from the federal

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government to continue to pay unemployment insurance benefits when reserves are exhausted. From FY 2014-15 through FY 2018-19, benefits paid from the Trust Fund averaged approximately \$450 million per year. Benefits paid from the Unemployment Insurance Trust Fund are expected to exceed \$1.6 billion in FY 2019-20 and \$2.8 billion in FY 2020-21, while revenues are expected to be below \$553 million in FY 2019-20 and below \$840 million in FY 2020-21, based on the May 2020 Legislative Council Staff forecast.