

SB 150 Fiscal Note  
Notes

Section 2: We estimate that 10 individuals each year will attempt to return to work following an approved leave of absence only to find that their work, or comparable suitable work, is unavailable. Each individual will draw \$3,122 annually in benefits, for a total cost to the Trust Fund of \$31,220 each year of the biennium (decrease to TF). The estimate is based upon four quarters of BTQ reviews. (*BTQ is the U.S. Department of Labor's national evaluation process. The acronym is an abbreviation of Benefits, Timeliness & Quality.*) We viewed actual separation decisions, and identified those that were denied because they left work due to an approved leave of absence and could not return to work because the work was no longer available. The number of individuals per year was derived by determining the percent of BTQ separations as compared to all separations within the year. The fiscal impact was derived by determining amount of requalifying wages each individual was required to meet, and averaging it over the total population.

Section 4: We estimate that employers/agents will fail to provide separation information on 19 cases each year at the determination or redetermination level, resulting in payment of benefits to claimants. If the law passes, these employers/agents will not be able to provide separation information at the hearing level, so no benefit overpayment will occur on the 19 cases. The 19 claims payments that will not be overturned are estimated at \$31,084 annually. The Trust Fund will not receive this repayment (decrease to TF). The number of cases was derived by reviewing an entire year of UI hearing cases, and identifying those that were overturned by a Hearing Officer because the employer/agent provided information at the hearing that was not provided at the determination/redetermination level. The fiscal impact was the actual amount of overpayments resulting from the reversal decisions.

Section 13: We estimate that there are 1,866 claimants each year who are receiving benefits, but have experienced no reduction in their work hours. The claimants may be working fewer than 40 hours, but they were either hired to work fewer than 40 hours, or their hours were reduced to less than 40 hours more than one year ago. The number of individuals impacted and cost to the Trust Fund was derived from system scans performed by the Able/Available workgroup. Through its study, the workgroup identified the group most likely to be impacted by the legislation would be those currently working 35-39 hours per week. A scan was run to identify the number of individuals working between 35 and 39 hours per week for at least one year, who were currently drawing benefits, and who would be denied benefits following passage of this legislation. The scan identified 1,866 individuals who drew \$259,569 in benefit payments during a year's time. The legislation will result in fewer payments made, or an increase to the Trust Fund (increase to TF).

Section 14: We estimate that approximately 140 claimants annually take time off one or two days or partial days during a particular week to attend a scheduled appointment.

They are currently denied benefits for the entire week. The number of claimants and cost impact was derived from reviewing 4 quarters of BTQ reviews of able/available issues. We identified those who were denied for a week due to needing to take one or two days off, or partial day or days, to attend personal appointments. We calculated the percentage of BTQ able/available reviews as compared to all able/available issues for a year, to determine the number of estimated impacted individuals, and average additional benefits received per claimant. The new legislation will provide an average partial payment of \$132 per claimant, or \$18,480 total cost to the Trust Fund (decrease to TF).

Section 15: We estimate that approximately 550 individual are denied benefits each year because they failed to obtain a health care provider's certification prior to leaving work due to a medical issue. The number of individuals and total cost was derived from a system scan of all "medical quits". After the medical quits were identified, we reviewed each case to determine how many cases had been denied solely due to failure to receive health care provider certification prior to taking time off from work. Of all medical quits, 550 would have been approved for benefits had the new language been in effect. We determined what each of the 550 would have received in benefits based upon the average weekly benefit amount and average duration. The total impact to the Trust Fund is \$1,720,400 each year (decrease to TF).

Fiscal Impact to Trust Fund (decrease)	
Section 2	(\$31,220)
Section 4	(\$31,084)
Section 13	\$259,569
Section 14	(\$18,480)
Section 15	<u>(1,720,400)</u>
Total	(\$1,541,615)