

FISCAL NOTE

October 21, 2022

Bill No:	SB 1083	Printer's No:	1940	Sponsor:	Baker
-----------------	---------	----------------------	------	-----------------	-------

COST / (SAVINGS)

Fund (s)	2022-23	2023-24
UC Trust Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: SB 1083 amends the Unemployment Compensation (UC) Law in military spouses and employer contributions during COVID-19.

ANALYSIS: SB 1083 amends the UC Law to establish that a claimant shall not be disqualified for voluntarily leaving work if the claimant left such work to accompany a spouse who is on active duty with the United States Armed Forces and is required to relocate. SB 1083 also amends the UC Law to provide that the effective period of an approved shared-work plan shall begin with the first calendar week following the date on which the employer submits the plan to the Department of Labor and Industry (L&I) or on the first calendar week following the date the employer provided in the plan, whichever is late.

SB 1083 amends the UC Law to allow a business that was shut down for an extended period of time due to the COVID-19 pandemic to continue to receive an experience based rate deeming employers to have paid contributions even if no contributions were made.

This act would take effect immediately.

FISCAL IMPACT: The sections of SB 1083 relating to military spouses codify existing case law and as such, there would likely be minimal fiscal impact to the UC Trust Fund.

In the table below, the Center for Workforce Information and Analysis estimates the number of claimants affected and the amount of increased benefits that would result from changing the Shared Work plan requirements. Shared Work projected claimants affected may be low since the program was little utilized pre-pandemic. This change may increase the number of Shared Work plans.

Increase in Benefit Cost and Number of Claimants Affected (made eligible or receiving increased benefits) by Making Shared Work Plans Effective the Week of Submission								
	2021	2022	2023	2024	2025	2026	2027	2028
Increase in Benefit Cost	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Claimants Affected	700	500	500	500	500	500	500	500

FISCAL NOTE

October 21, 2022

The fiscal impact of SB 1083 related to employer contributions during COVID-19 will impact the UC Trust Fund over four years. This includes a projected impact of \$584,778.54 in refunds in the first year and the same amount in years two, three and four due to a reversal of the inflated COVID-related contribution rates which will result in less income.