

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
CASH FUNDS	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
FEDERAL FUNDS	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
OTHER FUNDS	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
TOTAL FUNDS	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 833 changes percentages relating to the calculation of the Unemployment Insurance weekly benefit amount. Currently, the amount is 50% of the individual's average weekly wage, not to exceed 50% of the average weekly wage of the State. LB 833 would increase these percentages as follows:

January 1, 2009: 55% of the individual's average weekly wage, not to exceed 60% of the average weekly wage of the State

January 1, 2010: 60% of the individual's average weekly wage, not to exceed 70% of the average weekly wage of the State

January 1, 2011: 65% of the individual's average weekly wage, not to exceed 80% of the average weekly wage of the State

January 1, 2012: 70% of the individual's average weekly wage, not to exceed 90% of the average weekly wage of the State

January 1, 2013: 75% of the individual's average weekly wage, not to exceed 100% of the average weekly wage of the State

The Department estimates the following Federal Fund expenditures:

Expense Item	FY09
Salaries (230 hours)	5,603
Benefits	1,874
System Testing	993
Publications	8,000
Total Expenditures	16,470

The Department estimates the following impact on the Unemployment Insurance (UI) Trust Fund:

Effect on UI Trust Fund	FY09	FY10	FY11
Increase in Benefit Payments	(8,075,711)	(21,066,357)	(33,313,311)
Interest Reduction	(107,112)	(364,304)	(409,020)
Increase in Combined Tax Deposits		8,290,442	21,251,473
Net Effect on the UI Trust Fund	(8,182,823)	(13,140,219)	(12,470,858)

The provisions of LB 833 will increase the unemployment compensation benefits paid by state agencies. The Fund (General, Cash, Federal, or Other) affected will differ depending on the agency. The Department of Labor estimates the following impact:

Effect on State Agencies	FY09	FY10	FY11
Increase in benefits paid by state agencies	108,650	281,419	440,366

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS			
DEPARTMENT OF LABOR: This note recognizes increases in revenues from employer combined tax deposits in FY 1009-10 and beyond, which seems reasonable.			