

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3429 – SB 3659

March 14, 2012

**SUMMARY OF AMENDMENT (014520):** Requires the Department of Labor and Workforce Development (DLWD) to implement an internet-based system by July 1, 2012, that allows employers to receive separation notices from the Department electronically, to submit separation information to the Department, and to initiate appeals. Requires DLWD by January 1, 2013, at an employer's request, to begin including with the annual premium notice, a statement of benefits charged to the employer's experience rating account that affected the annual premium. Authorizes the Commissioner of DLWD to develop a program to check county jails for inmates who may be fraudulently receiving unemployment benefits. Requires the Commissioner to report to the Commerce, Labor, and Agriculture Committee of the Senate and the Commerce Committee of the House of Representatives by July 1, 2012.

CORRECTED FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$115,500

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Unchanged from the corrected fiscal note.**

Assumptions applied to amendment:

- According to DLWD, one additional Unemployment Program Specialist 2 position will be required to respond to electronic appeal requests and to supervise clerks responding to benefit statement requests. A recurring increase in state expenditures of \$53,274 (\$41,112 salary + \$12,062 benefits + \$100 operational).
- According to DLWD, five part-time workers will be employed for 450 hours each year at an hourly wage of \$27.65. A recurring increase in state expenditures of \$62,213 (5 employees x 450 hours x \$27.65 per hour).
- The total recurring increase in state expenditures will be \$115,487 (\$53,274 + \$62,213).

- According to DLWD, the Department will study the issue of developing a program to check county jails. This study will not result in a significant increase in state expenditures.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jaw