

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3430 – SB 3657

March 26, 2012

SUMMARY OF AMENDMENT (014725): Deletes all language after the enacting clause. Defines terms relative to seasonal employment. Requires the Department of Labor and Workforce Development to make a determination whether an employer should be considered a seasonal employer. Establishes qualifications and criteria for determining benefit amounts paid to seasonal employees

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$1,000,000/One-Time/General Fund

Decrease State Expenditures –
\$2,227,700/Recurring/Unemployment Insurance Trust Fund

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- Based on information provided by the Department of Labor and Workforce Development (DLWD) and the Office of Information Resources, one-time computer programming by a contracted vendor will be required to implement the provisions of this bill. One-time state expenditures are reasonably estimated to exceed \$1,000,000.
- According to DLWD, this bill will result in more disqualifications for unemployment benefits.
- DLWD estimates 585 claimants will be disqualified who would have received an average weekly benefit amount of \$224 for an average duration of 17 weeks. A recurring decrease in state expenditures from the Unemployment Insurance Trust Fund of \$2,227,680 (585 claimants x \$224 benefit amount x 17 weeks).

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