

February 17, 2020

The Honorable Sean Tarwater, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 151D-S
Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Fiscal Note for HB 2565 by Representatives Ward, Bishop and Yeager

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2565 is respectfully submitted to your committee.

HB 2565 would amend the Workforce Protection Act by changing the maximum number of weeks allowed to be claimed for unemployment insurance benefits to 26 weeks, regardless of the unemployment rate. Under current law, the number of allowable weeks is based on the Kansas unemployment rate as depicted in the table below:

Kansas Unemployment Insurance Benefits: Maximum Number of Weeks

<u>Unemployment Rate*</u>	<u>Maximum Number of Weeks</u>
Less than 4.5%	16 weeks
At least 4.5% but less than 6.0%	20 weeks
At least 6.0%	26 weeks

* Three Month Seasonally Adjusted Average

The Kansas Department of Labor indicates the bill would have a fiscal effect on the Unemployment Insurance Trust Fund, but the Department is unable to calculate the fiscal effect because there are too many economic variables that are unknown or difficult to assess. Any fiscal effect associated with HB 2565 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Dawn Palmberg, Department of Labor