## Fiscal Estimate - 2021 Session

☑ Original ☐ Updated	Corrected Supplem	nental			
LRB Number <b>21-3074/1</b>	Introduction Number SB-338				
Description unemployment insurance contribution rates					
Fiscal Effect					
Appropriations Rever	ease Existing absorb within agency's bu				
Local:  No Local Government Costs  Indeterminate  1. Increase Costs Permissive Mandatory  2. Decrease Costs Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Districts  5. Types of Local Government Units Affected Towns Counties Counties School WTCS Districts					
Fund Sources Affected Affected Ch. 20 Appropriations					
GPR FED PRO PRS	SEG SEGS				
Agency/Prepared By	Authorized Signature	Date			
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## Fiscal Estimate Narratives DWD 6/1/2021

LRB Number <b>21-3074/1</b>	Introduction Number	SB-338	Estimate Type	Original		
Description						
unemployment insurance contribution rates						

## Assumptions Used in Arriving at Fiscal Estimate

Employers pay into the UI Trust Fund at contribution rates established by state law. There are four rate schedules with Schedule D having the lowest contribution rates and Schedule A having the highest. The schedule that is set for a given calendar year depends on the cash balance of the state's unemployment reserve fund as of the preceding June 30. If the state's unemployment reserve fund has a cash balance of at least \$1,200,000,000 on June 30th, then Schedule D is in effect in the following calendar year.

This bill requires the department to maintain Schedule D rates through the end of calendar year 2023 regardless of the unemployment trust fund balance.

If enacted, maintaining Schedule D contribution rates for two calendar years is not estimated to increase costs for state appropriations. Although UI Trust Fund balance is estimated to decrease, this Fund is not a state appropriation.

Local governments would have no local fiscal effect as they are reimbursable employers and not subject to the scheduled UI Trust Fund contribution rates.

Long-Range Fiscal Implications