



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

SENATE BILL NO. 1375

PRINTERS NO. 1889

PRIME SPONSOR: **Gordner**

### COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	\$100,000	\$0
Political Subdivision Funds	\$200,000	\$0

**SUMMARY:** Provides the mechanism necessary for the continuation of federally-funded unemployment compensation extended benefits (EB) as authorized by the United States Congress; allows payment of extended benefits through 3/ 10/ 12. This legislation would take effect immediately and be retroactive to December 31, 2011.

**ANALYSIS:** This legislation would amend Section 401-A of the PA Unemployment Compensation Law to provide for a 60 day extension of unemployment compensation extended benefits as authorized and funded by the United States Congress.

The legislation provides an alternative three-year look-back “on” indicator for any period when Congress has authorized and funded EB through April 30, 2012.

**FISCAL IMPACT:** According to the Department of Labor & Industry, changing the EB trigger law would allow PA to stay on EB for an additional 5 weeks (until March 10 vs. Feb 4). These additional 5 weeks on EB would cost the Commonwealth (as an employer) approximately \$100,000 in EB benefit costs and political subdivisions (as employers) approximately \$200,000. The 17,000 impacted claimants would collect an estimated \$30,000,000 in federally-funded extended benefits over the five week period.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** February 7, 2012

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*