



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 393

PRINTERS NO. 773

PRIME SPONSOR: Knowles

FUND	COST / (SAVINGS)	
	FY 2012/13	FY 2013/14
Administration Fund	See "Fiscal Impact"	See "Fiscal Impact"
General Fund	\$0	\$0
Unemployment Compensation Trust Fund	\$0	\$0

**SUMMARY:** Provides for the procurement of written testimony/audio recordings by parties of an Unemployment Compensation (UC) appeals hearing. This legislation would take effect in 60 days.

**ANALYSIS:** This legislation amends Section 502 ("Decision of Referee; Further Appeals and Reviews") of the PA Unemployment Compensation Law to require that the testimony at any hearing before an unemployment compensation referee be taken by a recording device, and that an unabridged transcript and audio recording of the testimony be made available to any party (and their attorneys or other representative) upon written request. The requesting party must only pay for the transcript/recording if they do not intend to use it for unemployment compensation purposes or to file a subsequent appeal.

The legislation also amends Section 504 ("Powers of Board Over Claims") of the PA Unemployment Compensation Law to require that the testimony at any hearing before the Unemployment Compensation Board of Review be taken by reporter and a recording device, and that an unabridged transcript and audio recording of the testimony be made available to any party (and their attorneys or other representative) upon written request. The requesting party must only pay for the transcript/recording if they do not intend to use it for unemployment compensation purposes or to file a subsequent appeal.

**FISCAL IMPACT:** This legislation would have no adverse fiscal impact on the General Fund or the Unemployment Compensation Trust Fund.

According to the Department of Labor and Industry, this legislation would add some additional costs to the federally-funded Administration Fund to produce both audio and/or transcripts upon written request, at no cost to the party, if used for unemployment compensation purposes or a subsequent appeal. These costs are indeterminable at this point as new requests would be unpredictable. The Unemployment Compensation Board of Review spent \$1,181,258 in 2012 on transcribing with an average cost of \$120 per transcript. This breaks down to about 9,844 transcripts using the \$120 average. Additional time and materials associated with duplicating audio or converting audio to a type that is usable for the general public could also increase costs, minimally.

Currently, written transcripts are provided only if a request is in writing and the party has a pending UC Board of Review appeal or pending Commonwealth Court appeal. The Department indicates that in 2012, there were 90,981 referee level hearings. From those decisions, 16,356 were appealed to the Unemployment Compensation Board of Review. Of those decisions, 302 were appealed to the Commonwealth Court.

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

**DATE:** March 12, 2013

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