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Prepared by: Technical Services Section

## **Fiscal Analysis of Senate Bill 192: "Labor Disputes"**

### **Fiscal Impact:**

Senate Bill 192, in an average year, is **not expected** to impact the UI Trust Fund

Senate Bill 192 is estimated to incur one-time implementation costs of 78 hours or **\$4,295**. These one-time costs are on existing positions.

### **Summary of the Proposal:**

Senate Bill 192 amends the law to permit an employee to receive UI benefits while a labor dispute is in active progress if the employee is otherwise eligible to receive benefits and the employee is not participating in the dispute and is not a member of the class or grade of workers that are participating in the dispute.

### **UI Trust Fund Impact Summary:**

Based on data gathered by the Benefits Disputed Claims section, UI investigates between 1 and 5 labor disputes annually. Approximately 10% of all labor disputes involve laying off employees that are not participating in the dispute and would be affected by this law change. Thus, in a typical year, there will be no expected impact on the UI Trust Fund since most labor disputes would not be affected by this proposal.

However, every few years there may be a strike in which many workers would be affected by this law change. This was the case in 2011 when 161 workers not participating in a labor dispute were laid off due to a strike by other workers. This is atypical and has happened once in the last five years. Had this law been in effect, it would have resulted in approximately **\$744,464** in additional benefit entitlement and a decrease to the UI Trust Fund by a similar amount. Though there may be a UI Trust Fund impact it is not likely to affect state and local employers as these workers are banned from striking (public sector workers).

### **One-time IT and Administrative Impact Summary:**

Affected business area representatives were given a summary of the proposed law. Each determined what changes would be needed in their respected areas, and what training would be needed to implement the law. Each developed an estimate that was compiled into a final one-time impact of **78 hours or \$4,295**.