

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1177 (Chairman, Economic Matters Committee)
(Departmental - Labor, Licensing and Regulation)

Economic Matters

Referred to Finance

Unemployment Insurance - Earnings Disregard

This enrolled departmental bill increases the amount of earnings that are not deductible from unemployment insurance benefits from \$35 to \$70.

This bill is effective October 1, 1996, and is effective for claims filed for weeks ending on or after October 5, 1996.

Fiscal Summary

State Effect: None.

Local Effect: None.

Unemployment Insurance Trust Fund Effect: Benefit payments could increase by an estimated \$3.1 million annually.

Small Business Effect: The Department of Labor, Licensing and Regulation has determined that this bill has minimal or no impact on small business (attached). Fiscal Services concurs with this assessment. (The attached assessment does not reflect amendments to this bill.)

Fiscal Analysis

Unemployment Insurance Trust Fund: This bill is estimated to increase the average weekly benefit amount for partial weeks compensated by \$25. Assuming the partial weeks compensated remains at the 1994 level of 7.4% of all weeks compensated, there will be an estimated 123,300 partial weeks paid in fiscal 1997. The increase in benefit payments would total an estimated \$3.1 million.

Information Source(s): Department of Labor, Licensing and Regulation; Department of Fiscal Services

Fiscal Note History: First Reader - March 5, 1996
ncs Revised - House Third Reader - March 25, 1996
Revised - Enrolled Bill - May 17, 1996

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