

# FISCAL NOTE

**STATE OF ALASKA**  
**2005 LEGISLATIVE SESSION**

Fiscal Note Number: 4  
 Bill Version: CSHB 7(FIN)  
 (H) Publish Date: 4/25/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Statewide  
 Title: An Act relating to the calculation and RDU: Statewide  
payment of unemployment compensation Component: Statewide  
 Sponsor: Crawford, Guttenberg, Gara  
 Requester: \_\_\_\_\_ Component No.: Statewide

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	225.0	450.0	450.0	450.0	450.0	450.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>225.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)*	225.0	450.0	450.0	450.0	450.0	450.0
<b>TOTAL</b>	<b>225.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>	<b>450.0</b>

\*The fund source is shown as "other" because it encompasses all funding sources that pay for payroll.

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation has a fiscal impact on the employer charge paid by all state agencies using the working reserves for unemployment insurance. The fiscal note calculations are based on a 3-year average of actual usage reimbursed to the unemployment program (\$3,815,035 in FY 2002 - FY 2004). Fiscal note assumes that 33% of the State's former employees would be eligible for new maximum benefit amount. It excludes the impact of the benefit increase on the University of Alaska.

Fiscal note is prepared as information only, not as support for appropriation. Working reserve rates are calculated annually in August for the next fiscal year's budget preparation. This benefit increase would not affect the FY 2006 rates which have already been factored into the FY 2006 budget, but it would increase the amount the state as an employer reimburses the unemployment program beginning January 1, 2006 (half of FY 2006) and raise budgeted rates beginning in FY 2007.

Prepared by: Kim Garner, Director Phone: 465-3435  
 Division: Division of Finance Date/Time: 3/10/05 3:40 PM  
 Approved by: Mike Tibbles, Deputy Commissioner Date: 3/10/2005  
 Agency: Department of Administration