This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S. 1090 Amended by the Senate on March 1, 2022
Author:	Massey
Subject:	Insured Worker's Maximum Weekly Benefit
Requestor:	Senate Labor, Commerce, and Industry
RFA Analyst(s):	Miller
Impact Date:	March 8, 2022

Fiscal Impact Summary

This bill requires the Department of Employment and Workforce (DEW) to adjust the insured worker's maximum weekly benefit amount for inflation annually.

This bill will have no expenditure impact for DEW as the agency anticipates being able to manage the responsibilities required by this bill within existing appropriations.

DEW anticipates this bill will have an undetermined fiscal impact on the Unemployment Trust Fund, as the impact will depend on economic conditions and the number of claims paid. Further, allowing employers to move from a class 20 tax rate upon filing of a delinquent return may lower collections, but the potential amount is undetermined.

Explanation of Fiscal Impact

Amended by the Senate on March 1, 2022

State Expenditure

This bill requires DEW to adjust the insured worker's maximum weekly benefit amount for inflation annually. This inflation amount will be determined by the national consumer index published by the Bureau of Labor Statistics for the most recently completed calendar year prior to the date that the maximum weekly benefit goes into effect.

DEW anticipates being able to manage the responsibilities required by this bill within existing appropriations. Therefore, this bill will have no expenditure impact for DEW.

State Revenue

This bill requires DEW to adjust the insured worker's maximum weekly benefit amount for inflation annually and allows an employer's tax rate to be reassigned from the tax class twenty rate when the outstanding tax report that prompted the tax rate increase is filed.

The potential fiscal impact on the Unemployment Trust Fund will depend on economic conditions and the number of delinquent reports filed. Specifically, Section 3 allows for an employer to be taken out of class 20 after the receipt of a delinquent report. This change may result in less revenue collected and deposited into the Unemployment Trust Fund as currently employers spend an entire year in class 20. The impact will depend on how many employers are delinquent on their reports, when those reports are turned in to DEW, and other such factors. Therefore, this bill will have an undermined expenditure impact on the Unemployment Trust Fund.

Local Expenditure
N/A

Local Revenue
N/A

Frank A. Rainwater, Executive Director