



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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*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.*

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<b>Bill Number:</b>	S. 0151	Introduced on January 10, 2023
<b>Author:</b>	Turner	
<b>Subject:</b>	Unemployment Insurance Eligibility Period	
<b>Requestor:</b>	Senate Labor, Commerce, and Industry	
<b>RFA Analyst(s):</b>	Miller	
<b>Impact Date:</b>	February 2, 2023	

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### **Fiscal Impact Summary**

This bill limits the maximum potential unemployment benefits of any insured worker in a benefit year to the lesser of thirteen times his weekly benefit amount, instead of the current twenty weeks, or one-third of his wages for insured work paid during his base period.

This bill will have no expenditure impact for the Department of Employment and Workforce (DEW) as the agency can manage the non-recurring \$30,000 expense to update its software and other related items with existing Federal Funds.

Additionally, this bill may result in an undetermined revenue impact to the Unemployment Trust Fund. DEW anticipates the benefits paid from the fund will decrease due to the reduced amount of thirteen times the weekly benefit. However, tax rates are set each year taking into account the amount of income projected to be needed by the Unemployment Insurance Trust Fund to pay claims the following year, so the reduced benefits would be offset by reducing the rate, potentially resulting in no net change to the fund.

### **Explanation of Fiscal Impact**

#### **Introduced on January 10, 2023**

#### **State Expenditure**

This bill limits the maximum potential unemployment benefits of any insured worker in a benefit year to the lesser of thirteen times his weekly benefit amount or one-third his wages for insured work paid during his base period. Currently, the limit for the maximum potential unemployment benefits of any insured worker in a benefit year is the lesser of twenty times his weekly benefit amount or one-third his wages for insured work paid during his base period. This bill decreases the maximum annual unemployment benefits from twenty times his weekly benefit amount to thirteen times his weekly benefit amount or one-third his wages for insured work paid during his base period.

DEW will update software systems, documentation, and other related items to implement this change. DEW anticipates these updates will result in a onetime expense of \$30,000. The agency will reallocate Federal Funds that are currently being used to administer the unemployment insurance program to cover this non-recurring expense.

**State Revenue**

This bill decreases the maximum annual unemployment benefits from twenty times his weekly benefit amount to thirteen times his weekly benefit amount or one-third his wages for insured work paid during his base period. This may have an undetermined impact on the Unemployment Trust Fund. DEW anticipates the benefits paid from the fund will decrease due to this bill. However, tax rates are set each year taking into account the amount of income projected to be needed by the Unemployment Insurance Trust Fund to pay claims the following year, so the reduced benefits would be offset by reducing the rate, potentially resulting in no net change to the fund.

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director