



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.

Bill Number: S. 0274 Introduced on January 28, 2025
Subject: UI Weekly Benefit Amount
Requestor: Senate Labor, Commerce, and Industry
RFA Analyst(s): Vesely
Impact Date: February 12, 2025

Fiscal Impact Summary

This bill changes the unemployment insurance weekly maximum benefit amount to a flat amount of \$350.

The Department of Employment and Workforce (DEW) administers the South Carolina unemployment insurance program and the unemployment insurance trust fund (UITF). Under current law, the Director of DEW may set the maximum weekly benefit between the statutory minimum of \$42 and the statutory maximum of two thirds the average weekly wage in South Carolina. DEW estimates that this currently gives the Director the discretion to set a maximum weekly benefit to anywhere between \$42 and \$1,134. However, the currently maximum weekly benefit has been set at \$350 for all new unemployment insurance claims with an effective date on or after February 2, 2025. As this bill would represent no effective change from the current maximum weekly benefit, there is no expenditure impact as a result of the change. DEW anticipates no significant administrative costs due to this bill and expects to handle this change within existing appropriations. Therefore, there is no expenditure impact anticipated as a result of this bill.

Explanation of Fiscal Impact

Introduced on January 28, 2025

State Expenditure

This bill changes the unemployment insurance weekly maximum benefit amount to a flat amount of \$350.

DEW administers the South Carolina unemployment insurance program. Under current law, the Director of DEW may set the maximum weekly benefit between the statutory minimum of \$42 and the statutory maximum of sixty six and two thirds percent of the average weekly wage in South Carolina. DEW estimates that this currently gives the Director discretion to set a maximum weekly benefit to anywhere between \$42 and \$1,134.

For reference, in 2008, the Employment Security Commission (now DEW) set the maximum weekly benefit at \$326 due to UITF distress during the Great Recession. After the Great Recession, South Carolina paid back a federal loan for the UITF and brought the UITF to an

adequate balance by June 30, 2019. However, the maximum weekly benefit remained at \$326 through this time period.

When unemployment insurance tax rates were set for 2025, it was determined to increase the maximum weekly benefit to \$350 for all new unemployment insurance claims with an effective date on or after February 2, 2025. As this bill would represent no effective change from the current maximum weekly benefit, there is no expenditure impact as a result of the change. DEW anticipates no significant administrative costs due to this bill and expects to handle this change within existing appropriations. Therefore, there is no expenditure impact anticipated as a result of this bill.

State Revenue

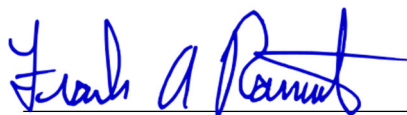
N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director