

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 377** SLS 14RS 764
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 5, 2014 12:16 PM	Author: MARTINY
Dept./Agy.: Workforce Commission	Analyst: Patrice Thomas
Subject: Unemployment Comensation Reciprocal Agreements	

UNEMPLOYMENT COMP EN NO IMPACT See Note Page 1 of 1
 Provides relative to reciprocal agreements with federal and state agencies. (8/1/14)

Regarding employer delinquent contributions, present law provides that Louisiana Workforce Commission (LWC) decides if contributions due with respect to wages for insured work under reciprocal arrangements with federal and state agencies shall be considered to have been paid to the Unemployment Insurance (UI) Trust Fund in accordance with what the LWC deems fair and reasonable. Proposed law provides that LWC shall propose reciprocal arrangements with other states and the federal government. Only in regards to reciprocal arrangements, proposed law removes any discretion by LWC and requires that payments to other state or federal funds will be considered. Proposed law is effective August 1, 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed legislation requires the Louisiana Workforce Commission (LWC) to identify potential reciprocal arrangements with other states. Reciprocal agreements give states the guidelines as where to report these wages when an employee works in multiple states. Only when there are reciprocal agreements, LWC must consider payments to the other state or federal agencies. This measure is not anticipated to impact expenditures in LWC or result in any modification to the existing Tax Wage Reporting System.

REVENUE EXPLANATION

There is no anticipated direct material effect on LA Workforce Commission revenues as a result of this measure.

Information provided by the LA Workforce Commission (LWC) indicates there will no impact on the Unemployment Insurance (UI) Trust Fund.

- Senate Dual Referral Rules House
- 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 - 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
 - 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 - 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
 - 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer