

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 26, 2007

TO: Honorable Joe Deshotel, Chair, House Committee on Economic Development

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB972 by Hodge (Relating to the eligibility for unemployment benefits of individuals who are unemployed due to certain labor disputes.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Labor Code relating to the eligibility for unemployment benefits of individuals who are unemployed due to certain labor disputes.

Based on the analysis of the Texas Workforce Commission (TWC), the agency estimates there would be only one occurrence of a labor dispute, which involved 3.674 claims, that would come under the provisions of this bill during the 2008-2012 fiscal year period. TWC also assumes that implementing the provisions of the bill would result in an estimated Unemployment Insurance Trust Fund Impact of approximately \$10.9 million that would occur over the fiscal year 2008-2012 period. Current benefit payment projections provided by TWC as of the third quarter in fiscal year 2007 estimate that four full quarters worth of payments total approximately \$1.2 billion.

Based on the analysis of TWC, it is assumed that any duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect upon receiving a two-thirds majority vote in each house; otherwise, the bill would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission

LBB Staff: JOB, JRO, MW, NV