

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 13, 2007

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

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

IN RE: HB2120 by Deshotel (Relating to the wages credited to an individual for the purpose of computing the individual's unemployment compensation benefits.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Labor Code relating to the wages credited to an individual for the purpose of computing the individual's unemployment compensation benefits. According the Texas Workforce Commission (TWC), there would be a one-time technology cost of \$196,000 in federal funds in FY 2008 to update the Payday Law internet application. TWC estimates the cost to the Unemployment Insurance Trust Fund would be \$40,326 each fiscal year, totaling \$201,630 for the FY 2008-12 five-year period. Based on this analysis, 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 immediately upon receiving a two-thirds majority vote in each house. If the bill does not receive a two-thirds vote in each house, 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