

April 20, 2020

The Honorable Julia Lynn, Chairperson
Senate Committee on Commerce
Statehouse, Room 445A-S
Topeka, Kansas 66612

Dear Senator Lynn:

SUBJECT: Fiscal Note for SB 501 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 501 is respectfully submitted to your committee.

SB 501 would reduce employer contribution rates to the Unemployment Insurance Trust Fund.

Estimated State Fiscal Effect				
	FY 2020 SGF	FY 2020 All Funds	FY 2021 SGF	FY 2021 All Funds
Revenue	--	--	--	(\$66,000,000)
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

The Kansas Department of Labor estimates the bill would reduce revenue to the Unemployment Insurance Trust Fund by \$66.0 million in FY 2021. The Department notes that the Unemployment Insurance Trust Fund is currently solvent, but the rapidly changing economic conditions resulting from the COVID-19 crisis make it difficult to estimate the long-term fiscal effect from SB 501. Any fiscal effect associated with SB 501 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Dawn Palmberg, Department of Labor