

BILL SUMMARY
2nd Session of the 52nd Legislature

Bill No.:	HB2566
Version:	Introduced
Author:	Representative Wesselhoft
Date:	1/25/2010
Impact:	\$0 negative impact to the State of Oklahoma

Bill Summary

Research Analyst: Arnella Karges

The introduced version of HB2566

is the annual appropriation of federal Reed Act Distribution funds for Oklahoma Employment Security Commission programs. The total appropriation is approximately \$11 million, about \$4.5 million for the Employment Service Program and \$6.5 million for the Unemployment Insurance Program, to be used before December 31, 2011.

Fiscal Summary

Fiscal Analyst: John McPhetridge

Congress authorized a distribution of money to all states under the Reed Act in 2002. Oklahoma's Share was \$81,441,628. This money has been deposited in Oklahoma's Unemployment Insurance Trust Fund. The money can only be used to support Oklahoma's Unemployment Insurance Program and Employment Services, both programs administered by the Oklahoma Employment Security Commission (OESC.) The Oklahoma Legislature must appropriate the money for use in these programs before it can be drawn down by OESC. HB 2566 authorizes an appropriation from the Trust Fund to OESC of \$10,995,825, to be used to support Oklahoma's Unemployment Insurance Program and Employment Services.

Fiscal Analysis

The appropriation authorized by HB 2566 is from a Fund which is for the sole use of OESC and which is funded by monies from the Federal Government. Such appropriation would include no State revenue nor require any State contribution match. For these reasons HB 2566 has no negative fiscal impact on the State of Oklahoma.

Long Term Fiscal Considerations

This appropriation represents all that remains of the 2002 Reed Act Disbursement. After this appropriation the fund balance will consist solely of the approximate \$75,000,000 UI Modernization Incentive Disbursement received in 2009, which is to be used in future years in the same manor as the 2002 funds.

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director