

BILL SUMMARY
2nd Session of the 58th Legislature

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| Bill No.: | HB 1933 |
| Version: | CS |
| Request Number: | 10851 |
| Author: | Rep. Martinez |
| Date: | 3/23/2022 |
| Impact: | See Below |

Research Analysis

The committee substitute for HB 1933 defines *state average unemployment rate* as the average of the three months for the most recent third calendar year quarter or the seasonally adjusted unemployment rates as published by the U.S. Office of Unemployment Insurance. The measure further provides that the duration of unemployment compensation claims submitted during a calendar year is limited to:

- 12 weeks if the state's average unemployment rate is at or below 3 percent;
- An additional week may be added in addition to the 12 weeks for each 0.5 percent increment in the state's average unemployment rate about 3 percent; or
- Up to a maximum of 20 weeks.

Prepared By: Emily McPherson

Fiscal Analysis

According to the Oklahoma Employment Security Commission, this measure would likely reduce the amount of benefits it pays out, but it was unable give an estimate of what that reduction might be.

In HB3096 from the 2nd Session of the 57th legislature that is similar to HB1933, OESC estimated the reduction of benefits in 2019 under these similar conditions would have been about \$120 million. Both measures lowered the unemployment benefits to 12 weeks under certain conditions with a cap at 20 weeks.

Though the measure is likely to reduce benefits paid out by OESC, it will no have a direct fiscal impact on the state budget due to how the Unemployment Trust is funded. Additionally, as OESC is a non-appropriated agency, it is expected to absorb any additional administrative costs through it's own budget resources.

Prepared By: Mariah Searock

Other Considerations

None.

