

EDUCATION AND LABOR CABINET
Office of Unemployment Insurance
(Amendment)

787 KAR 1:100. Week of unemployment defined.

RELATES TO: KRS 341.080

STATUTORY AUTHORITY: KRS 151B.020, 341.115

NECESSITY, FUNCTION, AND CONFORMITY: KRS 341.080(3) provides that the cabinet shall prescribe by administrative regulation the period of time which shall constitute a week of unemployment for the purpose of administering the Unemployment Insurance Program in accordance with KRS Chapter 341. The purpose of this administrative regulation is to satisfy the statutory requirement.

Section 1. A "week of unemployment" shall be a calendar week of seven (7) consecutive calendar days, beginning 12:01 a.m., Sunday and ending 12 midnight the following Saturday except for any week he or she received shared work benefits in accordance with KRS 341.4161 to 341.4173. A week of unemployment beginning in a benefit year shall be deemed to be wholly in that benefit year.

BUDDY HOSKINSON, Executive Director

APPROVED BY AGENCY: December 22, 2022

FILED WITH LRC: December 22, 2022 at 1:10 p.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this amended administrative regulation shall be held on March 21, 2023, at 1:00 p.m. Eastern Time at the Mayo-Underwood Building Hearing Room, 500 Mero Street, 1st Floor, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 p.m. on March 31, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

CONTACT PERSON: Matthew P. Lynch, Staff Attorney, 500 Mero Street, 3rd Floor, Frankfort, Kentucky 40601, phone 502-564-2776, email matt.lynch@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Matthew P. Lynch

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This administrative regulation provides an exception to the definition of a “week of unemployment.”

(b) The necessity of this administrative regulation:

This administrative regulation is necessary to reflect the exception to the definition of a “week of unemployment” included in amended KRS 341.080(3).

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 341.115(1) authorizes the secretary to promulgate administrative regulations necessary or suitable for the proper administration of KRS Chapter 341. KRS 341.080(3) was amended to include an exception to the definition of “week of unemployment” for any week in which a claimant receives shared work benefits pursuant to KRS 341.4161 to 341.4173.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

The administrative regulation specifies the time period constituting a “week of unemployment” in compliance with KRS 341.080(3).

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

The amendment to the regulation includes the statutory exception to the definition of “week of unemployment” for any week in which a claimant receives shared work benefits in compliance with amended KRS 341.080(3).

(b) The necessity of the amendment to this administrative regulation:

The amendment is needed to comply with KRS 341.080(3).

(c) How the amendment conforms to the content of the authorizing statutes:

The amendment specifies that a “week of unemployment” does not include any week in which a claimant receives shared work benefits pursuant to KRS 341.4161 to 341.4173 in compliance with KRS 341.080(3).

(d) How the amendment will assist in the effective administration of the statutes:

The amendment provides the secretary, Office of Unemployment Insurance staff, and unemployment claimants seeking benefits with the necessary information about the difference between a “week of unemployment” under the regular unemployment insurance program and the shared work benefits program.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

This administrative regulation affects unemployment insurance benefit recipients and employers participating in the shared work program in the Commonwealth and Office of Unemployment Insurance staff.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the

change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:

There is no additional cost to the unemployment insurance benefit recipients to comply with this administrative regulation. This amendment does not impose any additional expenditures on employers.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

There is no additional cost to the unemployment insurance benefit recipients or employers to comply with this administrative regulation.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

Unemployment claimants receiving benefits under the shared work program will not be deemed to have had a “week of unemployment.”

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

This amendment only includes a statutory exception to the definition of “week of unemployment” and is not expected to have any additional cost.

(b) On a continuing basis:

This amendment only includes a statutory exception to the definition of “week of unemployment” and is not expected to have any additional cost.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

Current federal funding will be used for the implementation and enforcement of this administrative regulation.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

An increase in fees or funding will not be necessary to implement this regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

There are no fees associated with this administrative regulation.

(9) TIERING: Is tiering applied?

Tiering is not applied. All unemployment insurance benefit recipients are treated equally depending on if the benefits derive from the regular unemployment insurance program or the shared work benefits program.

FISCAL NOTE

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?

This administrative regulation impacts the Office of Unemployment Insurance within the Kentucky Education and Labor Cabinet.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 341.080(3).

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year?

No revenue will be generated for the state for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years?

No revenue will be generated for the state for subsequent years.

(c) How much will it cost to administer this program for the first year?

The amendment includes an exception to the definition of “week of unemployment” and is not expected to have any additional cost.

(d) How much will it cost to administer this program for subsequent years?

The amendment includes an exception to the definition of “week of unemployment” and is not expected to have any additional cost.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):None.

Expenditures (+/-):See above.

Other Explanation:

This amendment only includes a statutory exception to the definition of “week of unemployment” and is not expected to have any additional cost.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year?

There is no additional cost to the unemployment insurance benefit recipients to comply with this administrative regulation. This amendment does not impose any additional expenditures on employers.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years?

There is no additional cost savings to the unemployment insurance benefit recipients to comply with this administrative regulation. This amendment does not confer cost savings to employers.

(c) How much will it cost the regulated entities for the first year?

There is no additional cost to the unemployment insurance benefit recipients to comply with this administrative regulation, and this amendment does not impose any additional expenditures to employers.

(d) How much will it cost the regulated entities for subsequent years?

There is no additional cost to the unemployment insurance benefit recipients to comply with this administrative regulation, and this amendment does not impose any additional expenditures to employers.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-):See above.

Expenditures (+/-):See above.

Other Explanation:

(5) Explain whether this administrative regulation will have a major economic impact, as defined below.

"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)] It is not anticipated that this amendment will have an overall negative or adverse economic impact.