

average unemployment rate is less than or equal to 6.5%. **Section 9** would also eliminate the provision that makes the classification system in that section inapplicable to claimants with time certain return-to-work or recall-to-work prospects within 16 weeks from date of filing of their claim.

Section 10 of the bill would amend KRS 341.4169 to establish that a worker would not be denied shared work benefits for a week they are participating in employer-sponsored training or training funded by the federal Workforce Innovation and Opportunity Act, 29 U.S.C. Ch. 32.

HB 146 SCS would have a minimal to an indeterminate moderate fiscal impact on local governments. Kentucky League of Cities reports the bill would not impact local government employers any differently than it would private employers. It may impose minimum additional costs to the local government for those unemployed that are determined eligible for the additional length of time that benefits will be made available under the bill. The provisions of the bill enlarging the time from 4 consecutive quarters to 12 consecutive quarters before an employer who employs workers in Kentucky must contribute the minimum amount to the unemployment trust fund, encourages new employers to move to Kentucky and hire Kentucky workers which may increase occupational tax revenue and other revenue to local governments.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II applies to the senate committee substitute to HB 146 GA. The SCS would make the following changes to HB 146 GA:

1. require the Education and Labor Cabinet report to the Governor and the legislature a review of potential changes to the computation of employer contribution rates to the unemployment trust fund; and
2. enlarge the length of time from four consecutive quarters to 12 consecutive quarters before an employer newly subject to contributing to the unemployment trust fund must begin contributing the minimum of 2.7%;
3. change computation of an employer's reserve ratio based on the previous 12 consecutive calendar quarters instead of 4 consecutive quarters.

Data Source(s): Kentucky League of Cities; LRC staff

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