



# 130th MAINE LEGISLATURE

LD 1509

LR 361(02)

## An Act To Provide That Maine's School Bus Drivers Are Eligible for Unemployment Insurance in Certain Circumstances

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Labor and Housing

Fiscal Note Required: Yes

### Fiscal Note

Current biennium cost increase - Unemployment Compensation Fund

Future biennium cost increase - local school administrative units

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
<b>Net Cost (Savings)</b>				
General Fund	\$7,300,000	\$0	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$7,300,000	\$0	\$0	\$0

#### Fiscal Detail and Notes

The Department of Labor estimates the additional cost to the Unemployment Compensation Fund to provide unemployment insurance benefits to school bus drivers employed in a school administrative unit on or after January 1, 2022 to be between \$4.5 million during a period of low unemployment to \$6.8 million during a period of high unemployment.

This bill includes one-time General Fund appropriations totaling \$7.3 million in fiscal year 2021-22 to the Employment Security Services program within the Department of Labor for the costs associated with implementing the requirements of this bill. Of this amount, \$0.5 million is provided for the costs of making programming changes to allow the State to reimburse the Fund for unemployment benefits paid to bus drivers through June 30, 2023 and to reverse the programming changes beginning July 1, 2023. In addition, \$6.8 million is provided for the State to reimburse the Fund for unemployment benefits paid to any school bus driver who elects to apply for and is deemed eligible for unemployment insurance benefits through June 30, 2023. General Fund appropriations provided in this bill do not lapse at the end of fiscal year 2021-22, but must be carried forward into fiscal year 2022-23 to be used for the same purpose. Any unexpended funds at the end of fiscal year 2022-23 lapse to the unappropriated surplus of the General Fund.

This bill will increase unemployment insurance costs to local school administrative units beginning in fiscal year 2023-24. According to the department, approximately 98% of schools are direct reimbursement employers and will be required to reimburse the trust fund for the full costs of benefits paid to the school bus drivers beginning July 1, 2023.