

REVENUE: No revenue impact  
FISCAL: Fiscal statement issued

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**Action:** Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means  
**Vote:** 4 - 1 - 0  
**Yeas:** Monnes Anderson, Prozanski, Telfer, Rosenbaum  
**Nays:** George  
**Exc.:** 0  
**Prepared By:** Jeremy Sarant, Administrator  
**Meeting Dates:** 2/18, 2/23, 2/25

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**WHAT THE MEASURE DOES:** Creates an alternative base year which comprises the last four completed calendar quarters preceding the benefit year for purpose of determining eligibility for unemployment insurance benefits. Declares an emergency, effective July 1, 2009.

**ISSUES DISCUSSED:**

- Cumulative effect of other unemployment bills
- Administrative support needed and expense
- Impact of federal funding on unemployment trust fund
- Relative health of Oregon unemployment system compared to other states

**EFFECT OF COMMITTEE AMENDMENT:** Declares an emergency and becomes effective July 1, 2009.

**BACKGROUND:** Eligibility for unemployment benefits generally depends in part on the amount of a person's earnings during a "base year", as defined by statute. Under current law, the base year is defined as the first four of the last five completed calendar quarters preceding the benefit year. The most recently completed calendar quarter is not included in the base year, and wages earned in that quarter are disregarded in determining eligibility for unemployment benefits.

Under SB 462 A, a person whose earnings calculated under the current base year definition are insufficient to qualify the person for benefits, may have the earnings recalculated under the alternative base year definition to include more recent earnings. This option would increase the availability of benefits to workers who were unemployed through no fault of their own.

The American Recovery and Reinvestment Act of 2009 includes substantial unemployment insurance funding for states which qualify under the terms of the Act. In order to qualify for funding states must either have, or enact, an alternative base year provision such as the one proposed under SB 462 A.