

costs, including \$112,131 in one-time information technology development cost, are \$2,402,435. The total administrative cost, assuming a January 1, 2010 effective date, is \$2,869,190 Federal Funds for the 2009-11 biennium.

The Federal government reimburses the State of Oregon for certain expenses related to the administration of the UI program. OED assumes that \$1,399,841 Federal Funds will be received as reimbursement for 2009-11 expenses.

The UI Trust Fund earns interest on its fund balances. OED estimates that the increased expenditures from the Fund from this bill will result in a loss of \$764,952 in interest earnings in the 2009-11 biennium.

Certain employers do not pay the UI tax, but instead reimburse the UI Trust Fund when an employee makes a UI claim. Based on historical experience, OED assumes that the UI Trust Fund will receive \$1,878,663 Other Funds in Reimbursable Assessments from these employers.