

SB 5508

Employment Department

SB 5508 is the budget bill for the Employment Department. The agency's mission is to support businesses and promote employment.

The Ways and Means Subcommittee on Transportation and Economic Development recommends a Total Funds budget of \$2 billion, 30 million, 265 thousand, 751 dollars and 1,356 positions for the 2019-21 biennium. The Employment Department is supported entirely by Other Funds and Federal Funds. \$1.7 billion of the Department's recommended budget is due to projected unemployment insurance benefit payments. The recommended budget includes adjustments to better utilize existing position authority, and for the following items:

- \$9.4 million in additional Other Funds expenditure limitation and 41 positions, to expand intensive job training and placement assistance to Oregonians served by the Department of Human Services.
- \$1.5 million in additional Federal Funds limitation and 8 positions to serve Oregonians impacted by foreign trade competition, and to certify the use of foreign labor by Oregon employers; and
- \$13.7 million in one-time additional Other Funds expenditure limitation, to procure and begin installing a new IT system for unemployment insurance tax and benefits. This recommendation is made with the understanding that the Department of Administrative Services will unschedule \$7.3 million until satisfactory project status reports are made during or following the 2020 legislative session.

The Subcommittee's recommendation on performance measures reflects an understanding that an economic downturn and an increase in the number of persons served could impact performance in the future.

The Transportation and Economic Development Subcommittee recommends Senate Bill 5508 be amended by the –1 amendment and be reported out do pass, as amended.