

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
80th Oregon Legislative Assembly  
2019 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>HB 2660 - B</b>
<b>Revenue Area:</b>	<b>Unemployment Insurance Trust Fund</b>
<b>Economist:</b>	<b>Dae Baek</b>
<b>Date:</b>	<b>4/26/19</b>

*Only Impacts on Original or Engrossed Versions are Considered Official*

**Measure Description:**

Removes prohibition on payment of unemployment insurance benefits to nonprofessional employees of an educational institution providing facilities or janitorial services for weeks of unemployment, commencing during a period between two successive academic years or terms. Applies to weeks of unemployment beginning on or after the effective date of this bill.

**Revenue Impact (in \$Millions):**

	Fiscal Year		Biennium	
	2019-20	2020-21	2019-21	2021-23
<b>Unemployment Insurance Trust Fund</b>	<b>- 0.16</b>	<b>- 0.37</b>	<b>- 0.53</b>	<b>- 1.0</b>

Data Source: Oregon Employment Department

**Impact Explanation:**

This bill affects mostly reimbursing employers, which means unemployment benefits paid out to eligible beneficiaries will be paid back to the unemployment insurance (UI) trust fund by these reimbursing employers. Loss to the UI trust fund in this case will originate from interest losses due to timing of pay-out and reimbursement.

There will be some unemployment benefits paid to eligible beneficiaries of UI tax paying employers. Oregon Employment Department (OED) estimates that these payments, thus loss to the UI trust fund, will amount to \$420,000 in the 2019-21 biennium and \$560,000 in the 2021-23 biennium. These outflows will result in interest earnings loss.

The revenue impact here combines interest losses and benefits pay-out attributable to UI tax paying employers.

**Creates, Extends, or Expands Tax Expenditure:** Yes  No