

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
80th Oregon Legislative Assembly
2020 2nd Special Session
Legislative Revenue Office

Bill Number:	SB 1702
Revenue Area:	Unemployment Insurance
Economist:	Dae Baek
Date:	8/10/2020

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

Measure Description:

Temporarily authorizes payment of unemployment insurance benefits to individuals performing services in other than instructional, research or principal administrative capacity for educational institution or institution of higher education in circumstances in which payment is currently denied.

Revenue Impact (in \$Millions):

	Biennium
	2019-21
Unemployment Insurance Trust Fund	-\$1.43

Source: Oregon Employment Department

Impact Explanation:

This bill temporarily suspends the denial requirements under current law during what is customarily the summer recess period for educational institutions. With this change, the Oregon Employment Department estimates that approximately \$9 million in benefits will be paid during 2019-21. Most of those payments will be paid back to the Unemployment Insurance (UI) Trust Fund by reimbursing employers, leaving \$1.39 million to be paid from the fund. With lost interest earnings for this amount, net impact is the reduction of the fund by \$1.43 million.

Creates, Extends, or Expands Tax Expenditure: Yes No