

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

Bill Number:	SB 1701 - 1
Revenue Area:	Unemployment Insurance
Economist:	Dae Baek
Date:	8/10/2020

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

Measure Description:

Provides that an unemployed individual receiving unemployment insurance benefits who has earnings from less than full-time employment may earn up to the greater of \$300 or one-third of individual's weekly benefit amount before the individual's weekly benefit amount is reduced. Applies to benefits payable for the weeks ending on or before January 1, 2022.

Revenue Impact (in \$Millions):

	Biennium	
	2019-21	2021-23
Unemployment Insurance Trust Fund	-\$44.4	-\$26.5

Source: Oregon Employment Department

Impact Explanation:

Currently an individual can earn up to the greater of \$132.50 (ten times the highest of the three minimum wages available across the state) or one-third of the individual's weekly unemployment benefit (UI) amount, and still receive a full benefit payment for the week. This bill raises the UI weekly earnings exemption to \$300 for certain individual claiming UI benefits.

Under this bill, the Oregon Employment Department estimates that additional \$43 million will be paid out to qualified individuals in 2019-21 and \$25.8 million more in 2021-23. Revenue impact incorporates interest losses during the biennia.

Creates, Extends, or Expands Tax Expenditure: Yes No