



Oregon

2021-23 GOVERNOR'S RECOMMENDED BUDGET

Oregon Employment Department



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Oregon Employment Department

2021-23 Governor's Budget Overview

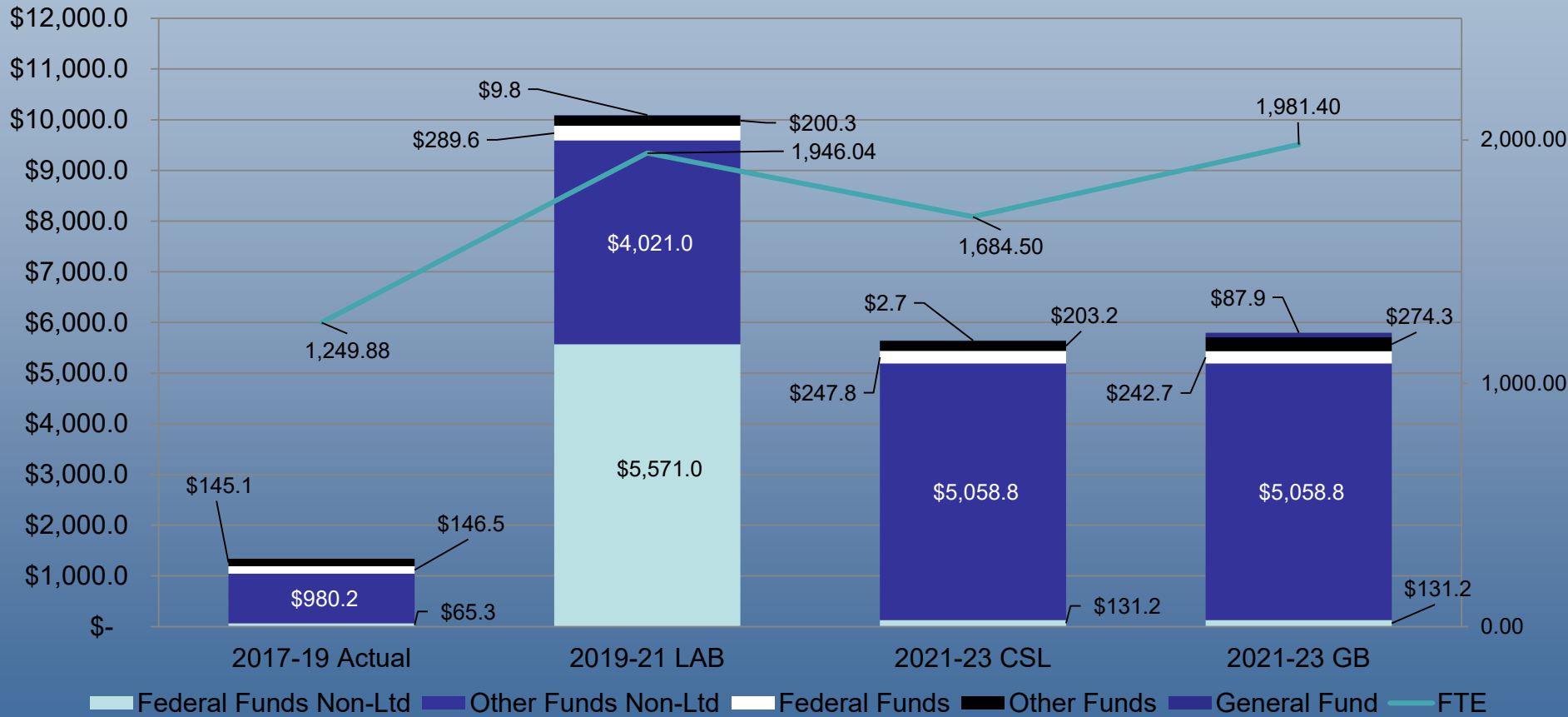
- **Emerging Issues**

- COVID-19 and federal legislation providing unemployment insurance benefits as part of the CARES Act had a significant impact on the workload for the Department, as well as a very steep increase in UI benefits being paid out to Oregonians.
- The Modernization Initiative became front and center as part of the COVID-19 response and demonstrated the need for moving forward on the project in a more efficient and timely manner. The Department is currently in negotiations for a contract with a vendor.
- The Department was tapped in HB 2005 (2019) by the Oregon Legislature to implement the Paid Family and Medical Leave Insurance (PFMLI) program, which is expected to be up and fully running by January 2023.





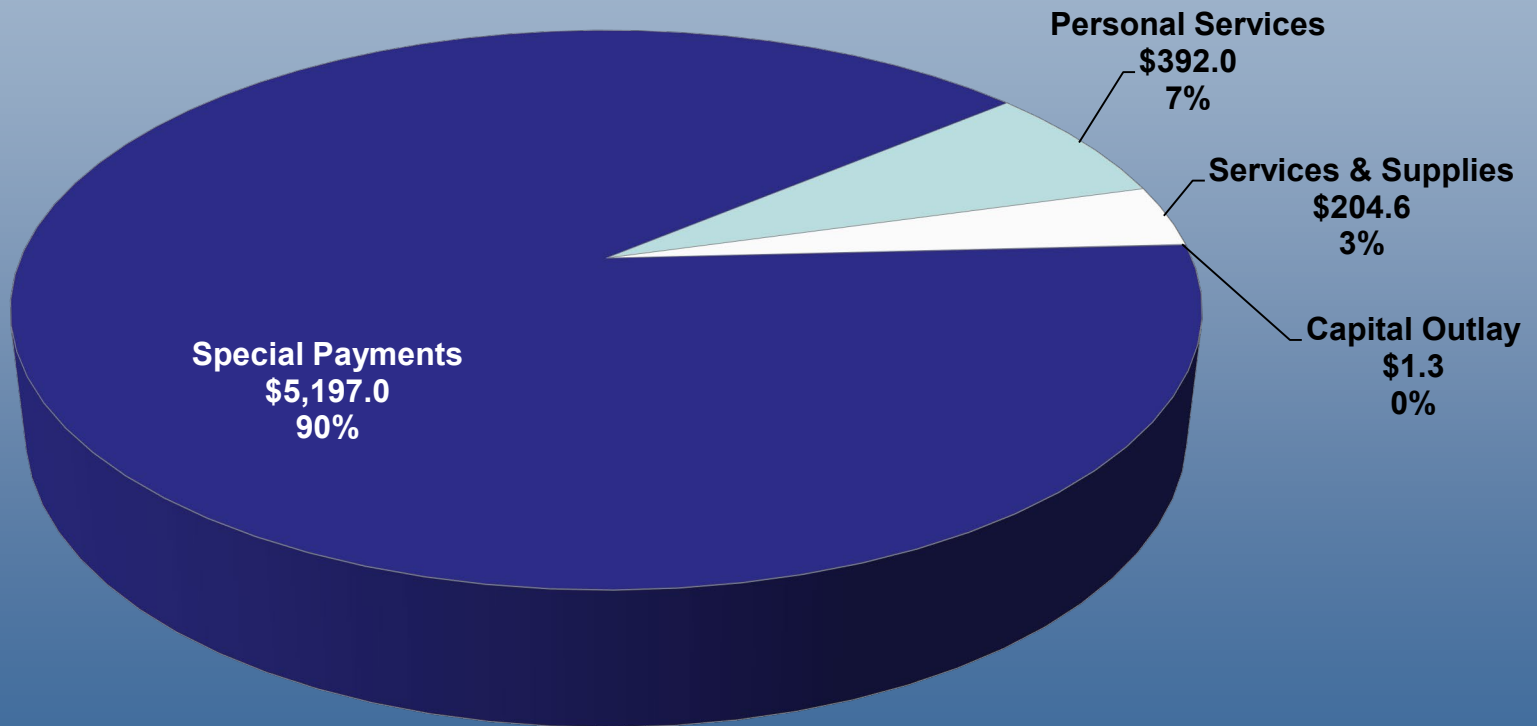
Oregon Employment Department Expenditure History + 2021-23 Governor's Budget





Oregon Employment Department 2021-23 Governor's Budget

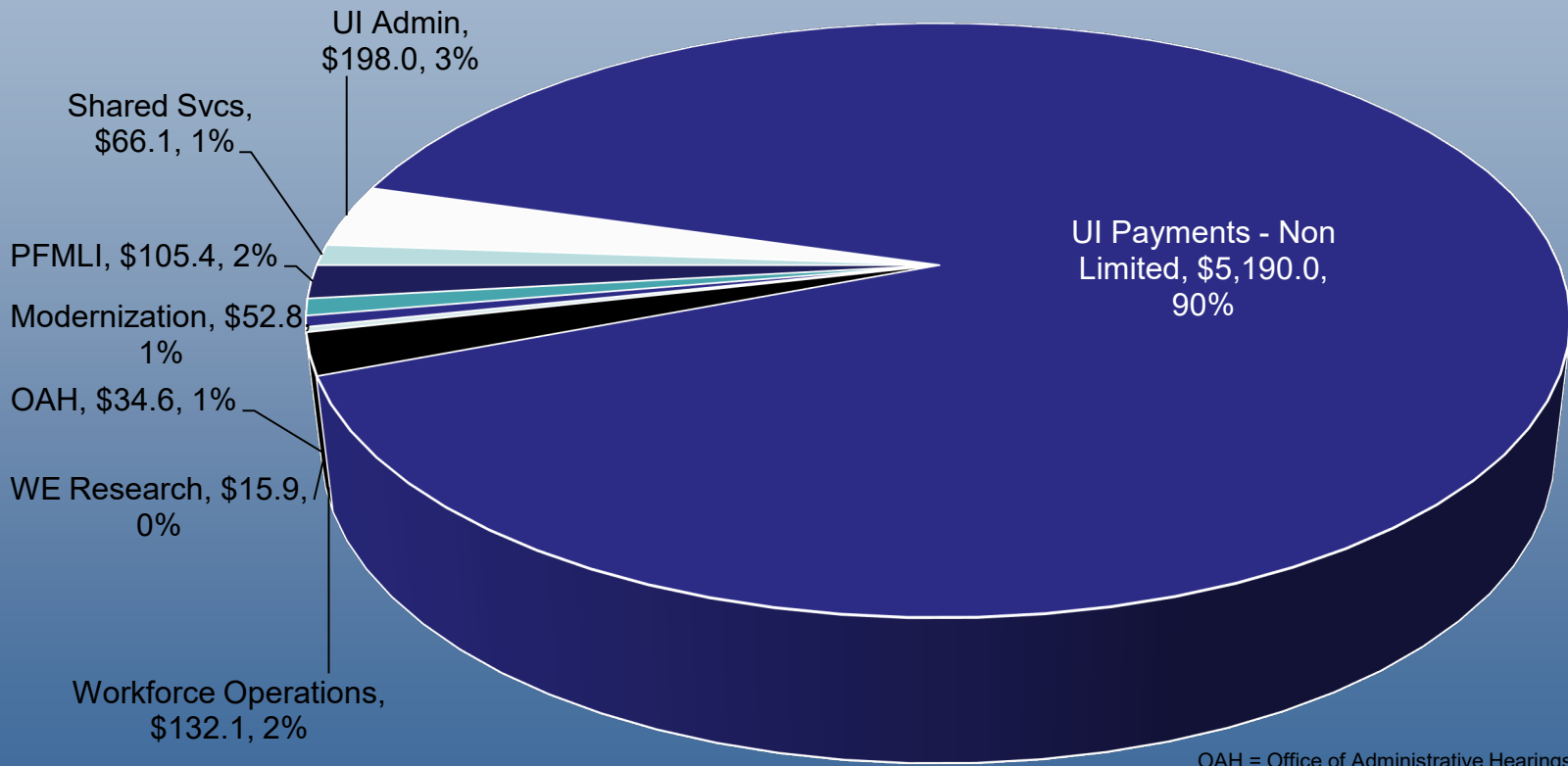
**Agency Budget by Expenditure Category
(in millions)**





Oregon Employment Department 2021-23 Governor's Budget

Governor's Budget by Agency Program (in millions)



OAH = Office of Administrative Hearings
WE = Workforce and Economic Research
PFMLI = Paid Family & Medical Leave Insurance





Oregon Employment Department Revenue Sources

- Agency Operational funds include, but are not limited to:
 - Supplemental Employment Department Administrative Fund (SEDAF)
 - Diversion of employer-paid unemployment taxes
 - Administrative Hearings Charges for Services
 - Penalty and Interest
 - Fraud Control
 - General Fund (Paid Family & Medical Leave)
 - Federal Funds
 - Unemployment Insurance Administration Grant; Wagner-Peyser Act, Trade Act, Reemployment Services and Eligibility Assessment, Veterans' Employment Services, Bureau of Labor Statistics, etc.





Oregon Employment Department

2021-23 Governor's Budget

Governor's Budget funds the following:

- Modernization Initiative – modernization of Unemployment Insurance Benefit and Tax Systems
- Paid Family & Medical Leave Insurance program implementation from House Bill 2005 (2019)
 - Payroll tax has to be fully functional by January 2022
 - Benefits payable January 2023
 - General Fund repaid through payroll tax collection by January 2023
- Enhanced employment services for organizations for increased workload
- Enhanced Trade Act activities due to increased workload





QUESTIONS?

