

SUBCOMMITTEE RECOMMENDATION

SB 5507 Employment Department

To: Ways and Means Full Committee
From: Transportation and Economic Development Subcommittee
Carrier: Representative Gomberg

SB 5507 is the budget bill for the Employment Department. The Transportation and Economic Development Subcommittee recommends a Total Funds budget of \$3,282,664,840 and 1,937 positions for the 2023-25 biennium. This is a 2.3% increase over the Current Service Level, and a 66.4% decrease from the 2021-23 Legislatively Approved budget.

The recommended budget includes actions to balance expenditures to available revenue by focusing investments on fraud control, implementation modernized IT systems for delivery of unemployment insurance and employee paid leave benefits, and rapid, targeted responses to economic downturns or service delivery issues. The budget includes expenditure limitation and position authority for employment and training services to clients of the Department of Human Services, dislocated workers, and historically underserved populations. Positions are recommended for reclassification to enable the Department to make the highest and best use of its existing position authority, and 44 vacant positions are recommended for elimination.

The Office of Administrative Hearings will propose a new key performance measure target for its costs per referral for the 2025-27 biennium, and the Employment Department is directed to propose a key performance measure for the Paid Leave Oregon program for the Legislature's consideration.

The Transportation and Economic Development Subcommittee recommends SB 5507 be amended by the –1 amendment and be reported out do pass, as amended.