

Submitter: David Wall
On Behalf Of: Mr Oregon is Oppose on HB 4035
Committee: Senate Committee On Finance and Revenue
Measure: HB4035

I OPPOSE [HB 4035].

According to [HB 4035] Employers pay [2.00% Unemployment Insurance (UI)]. [The Supplemental Employment Department Administration Fund (SEDAF) siphons off 0.09%.]

The result is [1.91%] goes into the Unemployment Trust Fund.

Purposed is [2.00% - 0.109% for the "New adjusted SEDAF"] = [1.891%].

This change in SEDAF raises a few questions.

Why all of a sudden SEDAF needs more revenue to expand its' services?

How many "languages" will be needed to "answer phones" to assist unemployed workers seeking more assistance?

What is the actual costs of the [UI] to the employer?

***How was [2.0%] chosen as the rate employers must pay into [UI]? The [2.0%] appears not to be needed only [1.891%] is needed.

But, is [1.891%] really needed to meet [UI] financial demands?

How was the [2.00%] chosen as the [UI] rate?

Are future raids on the [UI] planned?

Or, is the [UI] rate of [2.00%] Employers are required to pay going to be raised again?

It is obvious to me, the Employer [UI] rate of [2.00%] is used as a clandestine revenue stream. Now, if [HB 4035] is "Engrossed", the [SEDAF] is increased and the increase in Administration staff, reference by Full Time Equivalent (FTE) and corresponding overheads will all increase but, the amount of [FTEs] and corresponding overheads are not listed.

In the aggregate, millions of Employer Tax dollars will continue to be raised using the

[UI] Tax as the SEDAF grows; to hire more staff, their salaries, benefits and requisite overheads.

[HB 4035] leaves [1.891%] floating somewhere in the accountants' spreadsheets. I believe [0.001%] of the balance of [1.891%] is not needed or will be missed.

Therefore, why not transfer the [0.001%] to the Oregon School for the Deaf and Blind leaving the balance of [1,89%] to be charged to employers for the [UI]?

David S. Wall
Mr. Oregon Concur.