

SB 622 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 2/18

WHAT THE MEASURE DOES:

The measure specifies that for purposes of unemployment insurance law, "employment" does not include services performed by a noncitizen who is admitted to the United States to perform agricultural labor pursuant to specified sections of the federal Immigration and Nationality Act and therefore unable to receive unemployment insurance benefits. The measure also specifies that despite this exclusion from the definition of "employment," the employing unit of such individuals must comply with annual or quarterly tax reporting of the information related to the labor performed by these individuals. Makes technical amendments. Applies to labor performed for calendar quarters that begin on or after January 1, 2026. Takes effect on the 91st day following adjournment sine die.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Generally, unemployment insurance (UI) provides money to people who have lost their job or have had their hours reduced. Weekly payments of unemployment insurance benefits support people as they look for employment. Unemployment insurance is supported through contributions from Oregon employers into the Unemployment Insurance Trust Fund (Fund). The Oregon Employment Department (OED) administers the UI program in Oregon. The UI program must comply with both federal and state law. OED collects the contributions that support the program, determine eligibility for UI benefits, pay benefits, and work to prevent fraud.

Oregon law defines who are subject employers requires to contribute to the Unemployment Insurance Trust Fund. Currently, subject employers include agricultural employers who pay \$20,000 or more cash wages in a calendar quarter or have ten or more employees in each of 20 weeks during a calendar year.

Senate Bill 622 excludes employers of specified noncitizens engaged in agricultural labor from the definition of "employment" for purposes for UI law, thus exempting these employers from liability for contributions to the Fund related to that labor.