



Oregon

Tina Kotek, Governor

Employment Department

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April 3, 2025

The Honorable Senator Aaron Woods, Co-Chair
The Honorable Representative David Gomberg, Co-Chair Joint Committee
on Ways and Means Subcommittee on Transportation and Economic
Development
900 Court Street NE, H-174 Salem, OR 97301



RE: Follow-up information for Phase II Informational Meeting on House Bill (HB) 5007

Dear Co-Chair Woods and Co-Chair Gomberg,

We appreciated the chance to speak with you about the Oregon Employment Department's projected budget adjustments for the 2025-2027 biennium and the potential rate increase to the Supplemental Employment Department Administrative Fund (SEDAF).

During the meeting, we received a question about how much additional revenue our proposed SEDAF increase would create. Based on current projected payroll information, the rate increase to 0.00135 (an increase of .00026) is estimated to result in \$37.9 million in additional revenue during the 2025-27 biennium. Because this is a tax assessed against payroll, the amount of revenue actually generated in future years will fluctuate depending on overall economic conditions.

Again, we appreciated the opportunity to speak with your committee. Please let us know if you have any additional questions.

David Gerstenfeld

David Gerstenfeld
Director

Cc: Michelle Deister, Principal Legislative Analyst, Legislative Fiscal Office
Stacey Chase, Budget and Policy Analyst, Department of Administrative Services



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