



525 NE OREGON ST.  
PORTLAND, OR 97232

To: House Committee on Revenue

From: Anthony Castaneda, SEIU 503

Date: 2/3/2026

Re: Support for HB 4125 Revenue Forecast Modernization Act

Dear Chair Nathanson, Vice Chair Werner Reschke, Vice Chair Walters, and members of the committee,

I'm here today on behalf of SEIU 503 in support of HB 4125 to improve the accuracy of revenue predictions and to allow the legislature to set up a more stable state budget. The state general fund is the primary source for early learning, K-12 education including summer learning, higher education, healthcare, social services, and public safety.

Our union proudly represents over 70,000 workers across industries and sectors, from nursing home and non-profit workers to homecare and personal support workers to state, local, and higher-ed workers.

HB 4125 is an important fix to how the state projects revenue in the general fund and how the legislature sets Oregon's biennium budget. This bill would promote fiscal stability while protecting essential government services.

The state's tax structure relies on income taxes, which can change drastically as the economy twists and turns. That makes projecting future revenue over a two-year period exceedingly tough. When there are swings in our economy, our governing bodies that rely on state funding (from the legislature, school districts, counties) cannot adequately plan for the budget cycles.

When revenue projections are inaccurate, there are real consequences for the state's ability to deliver services that Oregonians rely on. For example, the legislature may approve a certain number of FTE's for an agency division or program and then turnaround to cut those positions in the following year. That means that the agency spent time recruiting, hiring, and training a person for the job, and now the agency needs to let them go because the data or assumptions were telling an incomplete story about the economy. The ebb and flow of hiring and lay off staff not only affects wait and response times for critical services

across the state's operations, but also the livelihoods of the Oregonians who perform those jobs. The constant turnover also affects morale and talent retention.

HB 4125 is an overdue measure that will provide needed guidance and improvement for more accurate decision making in future budgets. We urge you to support HB 4125.

Thank you for your time and consideration,

Anthony Castaneda