March 10, 2023

The Honorable Senator Kathleen Taylor, Chair
The Honorable Senator Daniel Bonham, Vice-Chair
Senate Labor and Business Committee
900 Court Street, NE, H-170
Salem, OR 97301

RE: Follow-up information on Senate Bill 913

Dear Chair Taylor & Vice-Chair Bonham,

Thank you for allowing me to testify yesterday on the Oregon Employment Department's legislative concept in Senate Bill 913. I appreciated your insightful questions and comments and your support for the bill. This letter serves to respond to the question I was unable to answer during my testimony.

What is the impact to the Paid Leave Oregon Trust Fund if the maximum wage amount was changed from $132,900 to the current social security wage base index ($160,200)?

The below table shows employees total taxable wages for 2021 using Unemployment Insurance information. The first column is the contributions that would have been paid with the current statutory maximum wage amount of $132,900 broken out by the large employer and employee ratio. The second column indicates contributions that would have been paid if the maximum wage amount was tied to the 2023 social security wage base index amount of $160,200. The third column shows the increase to the Paid Leave Oregon Trust Fund if the maximum wage amount was raised.

Paid Leave Oregon Trust Fund Impact

	2021 Taxable Wages ($ 132,900)	2021 Taxable Wages ($ 160,200)	Difference
Wage Amount	$ 101,300,000,000	$ 104,000,000,000	$ 3,000,000,000
Employer Contributions (Large Employer)	$ 314,000,000	$ 322,800,000	$ 8,800,000
Employee Contributions	$ 607,800,000	$ 624,000,000	$ 16,200,000
Total Contributions	$ 921,800,000	$ 946,800,000	$ 25,000,000

Please let us know if you have any additional questions. Thank you for your time.

Sincerely,

Karen Madden Humelbaugh
Paid Leave Oregon Director

cc: David Gerstenfeld, Acting Director, Oregon Employment Department