

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3331**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Date: 03/10/2023

Measure Description:

Amends eligibility requirements for employee to receive benefits under shared work plan.

Government Unit(s) Affected:

Employment Department, Bureau of Labor and Industries

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

See Analysis.

Analysis: The measure makes changes to the Employment Department’s work share program by amending the definition of “affected employee” to remove the requirement that full-time employees have been employed for at least six months and part-time employees have been employed for at least one year before they are able to participate in the Work Share Program. In addition, the measure changes the requirement that the weekly hours of work reduced for an employee to be eligible for Work Share is at least 10 percent and not more than 50 percent. Currently, the eligibility requirement is that the weekly hours reduced for an employee must be at least 20 percent and not more than 40 percent.

The anticipated impact to the Unemployment Insurance (UI) Trust Fund is based on 73 additional claims being made in the 2023-25 biennium, for a total of 880 weeks of benefits claimed. Because workshare participants are only eligible for the portion of benefits that are associated with a reduction in hours, the total impact to the UI Trust Fund is estimated at \$144,400 in 2023-25, and \$174,500 in the 2025-27 biennium (assuming 88 initial claims and 1,064 weeks of benefits claimed). These changes to the UI Trust Fund will not affect the employer rates charged to employers. The Department anticipates an increase in administrative activities that can be absorbed with existing resources.

The Bureau of Labor and Industries anticipates a minimal fiscal impact.