## REVENUE IMPACT OF PROPOSED LEGISLATION

83rd Oregon Legislative Assembly 2025 Regular Session Legislative Revenue Office Bill Number: HB 3024

Revenue Area: Unemployment Insurance

Economist: Michael Doughty

Date: 01/31/2025

Only Impacts on Original or Engrossed Versions are Considered Official

## **Measure Description:**

Eliminates the reduction of an individual's maximum benefit amount by eight times the individual's weekly benefit amount after the individual is disqualified from the receipt of benefits for cause and has not earned at least four times the individual's weekly benefit amount. Takes effect on the 91st day following adjournment sine die.

## Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2025-26	2026-27	2025-27	2027-29	2029-31
Unemployment Insurance					
Trust Fund	-\$0.6	-\$0.8	-\$1.3	-\$1.7	-\$1.8

Data Source: Oregon Employment Department

## **Impact Explanation:**

Under current Oregon Unemployment Benefit statute, when an individual is disqualified from unemployment benefits for cause (ORS 657.176), the individual must receive wages equal to or greater than their established weekly benefit amount before they can receive further unemployment benefits. When the individual reestablishes unemployment benefit qualification, the maximum benefit amount they can receive in the benefit year is reduced by eight times their weekly benefit amount.

House Bill 3024 removes the reduction in the maximum benefit amount. This increases the estimated benefits paid out of the Unemployment Insurance Trust fund, which results in reduction to the UI Trust Fund. The estimate of reduction also includes lost interest income that would otherwise have occurred.

Creates, Extends, or Expands Tax Expenditure: Yes 🔲 No 🔀

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