

Enrolled Senate Bill 143

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CHAPTER

AN ACT

Relating to administration of public funds; creating new provisions; amending ORS 657.462 and 657.783; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 657.462, as amended by section 1, chapter 76, Oregon Laws 2024, is amended to read:

657.462. (1)(a) The Director of the Employment Department or the director's authorized representative shall, for each calendar year, compute a benefit ratio for each employer who meets the requirements of this section.

(b)(A) For an employer whose record has been chargeable with benefits throughout the 12 preceding calendar quarters ending on the computation date, the benefit ratio shall be a quotient obtained by dividing the total benefit charges to the employer's record in the 12 calendar quarters by the total of the employer's taxable payrolls for the same 12 calendar quarters.

(B) For an employer whose record has been chargeable with benefits for at least four or more consecutive calendar quarters but less than 12 consecutive calendar quarters and ending on the computation date, the benefit ratio shall be the quotient obtained by dividing the total benefits charged to the employer's record for the consecutive calendar quarters by the total of the employer's taxable payrolls for the same period.

(C) Benefit ratios shall be carried out to the sixth decimal place.

(2)(a) A list shall be prepared of all employers meeting the requirements of this section whose accounts are open according to Employment Department records as of August 31 following the computation date.

(b) Employers shall be listed in ascending order from the employer having the lowest benefit ratio to the employer having the highest benefit ratio.

(c) The list shall show for each employer:

(A) The benefit ratio;

(B) The employer's taxable payroll for the four calendar quarters immediately preceding the computation date; and

(C) A cumulative total consisting of the sum of the employer's taxable payroll and the taxable payroll of all other preceding employers on the list.

(3)(a) The department shall group all employers in accordance with the cumulative taxable payroll percentage limits for the schedule in effect under Table A.

(b)(A) All employers who fall within the same group shall be assigned the tax rate for that group.

(B) Notwithstanding subparagraph (A) of this paragraph, if the grouping results in the taxable payroll of an employer falling in two groups, the employer and any other employer with the same benefit ratio shall be assigned the lower of the two applicable rates.

(c) Fractions of a cent shall be dropped in computing taxable payroll limits used in Table A.

(d) The schedule in effect shall be in accordance with the Fund Adequacy Percentage Ratios set forth in Table A.

TABLE A

(Taxable Payroll referred to is the total for all the eligible firms for the four calendar quarters preceding and ending on the computation date)

Fund Adequacy Percentage Ratio I
190% and Over

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
0.5%	0.00% but less than 10.00%
0.6%	10.00% but less than 15.00%
0.7%	15.00% but less than 20.00%
0.8%	20.00% but less than 25.00%
0.9%	25.00% but less than 30.00%
1.0%	30.00% but less than 35.00%
1.1%	35.00% but less than 40.00%
1.2%	40.00% but less than 45.00%
1.3%	45.00% but less than 50.00%
1.4%	50.00% but less than 55.00%
1.5%	55.00% but less than 60.00%
1.6%	60.00% but less than 65.00%
1.7%	65.00% but less than 69.00%
1.8%	69.00% but less than 73.00%
1.9%	73.00% but less than 77.00%
2.0%	77.00% but less than 80.00%
2.1%	80.00% but less than 83.00%
2.2%	83.00% but less than 86.00%
2.3%	86.00% but less than 89.00%
2.4%	89.00% but less than 91.00%
2.5%	91.00% but less than 93.00%
2.6%	93.00% but less than 95.00%
2.7%	95.00% but less than 96.00%
2.8%	96.00% but less than 96.90%
2.9%	96.90% but less than 97.70%
3.0%	97.70% but less than 98.40%
3.1%	98.40% but less than 98.90%
3.2%	98.90% but less than 99.30%
3.4%	99.30% but less than 99.54%
3.6%	99.54% but less than 99.63%
3.8%	99.63% but less than 99.71%
4.0%	99.71% but less than 99.78%

4.2%	99.78% but less than 99.84%
4.4%	99.84% but less than 99.89%
4.6%	99.89% but less than 99.93%
4.8%	99.93% but less than 99.96%
5.0%	99.96% but less than 99.98%
5.2%	99.98% but less than 99.99%
5.4%	99.99% to 100.00%

Fund Adequacy Percentage Ratio II
170.00% but less than 190%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
0.7%	0.00% but less than 10.00%
0.8%	10.00% but less than 15.00%
0.9%	15.00% but less than 20.00%
1.0%	20.00% but less than 25.00%
1.1%	25.00% but less than 30.00%
1.2%	30.00% but less than 35.00%
1.3%	35.00% but less than 40.00%
1.4%	40.00% but less than 44.00%
1.5%	44.00% but less than 48.00%
1.6%	48.00% but less than 52.00%
1.7%	52.00% but less than 56.00%
1.8%	56.00% but less than 60.00%
1.9%	60.00% but less than 64.00%
2.0%	64.00% but less than 68.00%
2.1%	68.00% but less than 72.00%
2.2%	72.00% but less than 76.00%
2.3%	76.00% but less than 79.00%
2.4%	79.00% but less than 82.00%
2.5%	82.00% but less than 85.00%
2.6%	85.00% but less than 88.00%
2.7%	88.00% but less than 90.00%
2.8%	90.00% but less than 92.00%
2.9%	92.00% but less than 93.50%
3.0%	93.50% but less than 94.90%
3.1%	94.90% but less than 96.20%
3.2%	96.20% but less than 97.40%
3.4%	97.40% but less than 98.54%
3.6%	98.54% but less than 99.54%
3.8%	99.54% but less than 99.63%
4.0%	99.63% but less than 99.71%
4.2%	99.71% but less than 99.78%
4.4%	99.78% but less than 99.84%
4.6%	99.84% but less than 99.89%
4.8%	99.89% but less than 99.93%
5.0%	99.93% but less than 99.96%
5.2%	99.96% but less than 99.98%

5.4% 99.98% to 100.00%

Fund Adequacy Percentage Ratio III
145.00% but less than 170%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
0.9%	0.00% but less than 10.00%
1.0%	10.00% but less than 15.00%
1.1%	15.00% but less than 20.00%
1.2%	20.00% but less than 24.00%
1.3%	24.00% but less than 28.00%
1.4%	28.00% but less than 32.00%
1.5%	32.00% but less than 36.00%
1.6%	36.00% but less than 40.00%
1.7%	40.00% but less than 44.00%
1.8%	44.00% but less than 48.00%
1.9%	48.00% but less than 52.00%
2.0%	52.00% but less than 56.00%
2.1%	56.00% but less than 60.00%
2.2%	60.00% but less than 64.00%
2.3%	64.00% but less than 68.00%
2.4%	68.00% but less than 72.00%
2.5%	72.00% but less than 76.00%
2.6%	76.00% but less than 80.00%
2.7%	80.00% but less than 84.00%
2.8%	84.00% but less than 87.00%
2.9%	87.00% but less than 90.00%
3.0%	90.00% but less than 93.00%
3.1%	93.00% but less than 95.00%
3.2%	95.00% but less than 97.00%
3.4%	97.00% but less than 98.20%
3.6%	98.20% but less than 99.00%
3.8%	99.00% but less than 99.43%
4.0%	99.43% but less than 99.63%
4.2%	99.63% but less than 99.72%
4.4%	99.72% but less than 99.79%
4.6%	99.79% but less than 99.85%
4.8%	99.85% but less than 99.90%
5.0%	99.90% but less than 99.94%
5.2%	99.94% but less than 99.97%
5.4%	99.97% to 100.00%

Fund Adequacy Percentage Ratio IV
125.00% but less than 145%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
1.2%	0.00% but less than 10.00%
1.3%	10.00% but less than 15.00%
1.4%	15.00% but less than 20.00%
1.5%	20.00% but less than 24.00%
1.6%	24.00% but less than 28.00%
1.7%	28.00% but less than 32.00%
1.8%	32.00% but less than 36.00%
1.9%	36.00% but less than 40.00%
2.0%	40.00% but less than 44.00%
2.1%	44.00% but less than 48.00%
2.2%	48.00% but less than 52.00%
2.3%	52.00% but less than 56.00%
2.4%	56.00% but less than 60.00%
2.5%	60.00% but less than 64.00%
2.6%	64.00% but less than 68.00%
2.7%	68.00% but less than 72.00%
2.8%	72.00% but less than 76.00%
2.9%	76.00% but less than 80.00%
3.0%	80.00% but less than 84.00%
3.1%	84.00% but less than 88.00%
3.2%	88.00% but less than 92.00%
3.3%	92.00% but less than 95.00%
3.4%	95.00% but less than 97.00%
3.6%	97.00% but less than 98.20%
3.8%	98.20% but less than 99.00%
4.0%	99.00% but less than 99.40%
4.2%	99.40% but less than 99.60%
4.4%	99.60% but less than 99.70%
4.6%	99.70% but less than 99.78%
4.8%	99.78% but less than 99.85%
5.0%	99.85% but less than 99.91%
5.2%	99.91% but less than 99.96%
5.4%	99.96% to 100.00%

Fund Adequacy Percentage Ratio V
110.00% but less than 125%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
1.5%	0.00% but less than 10.00%
1.6%	10.00% but less than 15.00%
1.7%	15.00% but less than 20.00%
1.8%	20.00% but less than 24.00%
1.9%	24.00% but less than 28.00%
2.0%	28.00% but less than 32.00%
2.1%	32.00% but less than 36.00%
2.2%	36.00% but less than 40.00%

2.3%	40.00% but less than 44.00%
2.4%	44.00% but less than 48.00%
2.5%	48.00% but less than 52.00%
2.6%	52.00% but less than 56.00%
2.7%	56.00% but less than 60.00%
2.8%	60.00% but less than 64.00%
2.9%	64.00% but less than 68.00%
3.0%	68.00% but less than 72.00%
3.1%	72.00% but less than 76.00%
3.2%	76.00% but less than 80.00%
3.3%	80.00% but less than 84.00%
3.4%	84.00% but less than 88.00%
3.5%	88.00% but less than 92.00%
3.6%	92.00% but less than 95.00%
3.7%	95.00% but less than 97.00%
3.8%	97.00% but less than 98.20%
3.9%	98.20% but less than 99.00%
4.0%	99.00% but less than 99.40%
4.2%	99.40% but less than 99.60%
4.4%	99.60% but less than 99.70%
4.6%	99.70% but less than 99.78%
4.8%	99.78% but less than 99.85%
5.0%	99.85% but less than 99.91%
5.2%	99.91% but less than 99.96%
5.4%	99.96% to 100.00%

Fund Adequacy Percentage Ratio VI
100.00% but less than 110%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
1.8%	0.00% but less than 10.00%
1.9%	10.00% but less than 15.00%
2.0%	15.00% but less than 20.00%
2.1%	20.00% but less than 25.00%
2.2%	25.00% but less than 30.00%
2.3%	30.00% but less than 35.00%
2.4%	35.00% but less than 40.00%
2.5%	40.00% but less than 44.00%
2.6%	44.00% but less than 48.00%
2.7%	48.00% but less than 52.00%
2.8%	52.00% but less than 56.00%
2.9%	56.00% but less than 60.00%
3.0%	60.00% but less than 64.00%
3.1%	64.00% but less than 68.00%
3.2%	68.00% but less than 72.00%
3.3%	72.00% but less than 76.00%
3.4%	76.00% but less than 80.00%
3.5%	80.00% but less than 84.00%

3.6%	84.00% but less than 88.00%
3.7%	88.00% but less than 92.00%
3.8%	92.00% but less than 95.00%
3.9%	95.00% but less than 97.00%
4.0%	97.00% but less than 98.20%
4.2%	98.20% but less than 99.00%
4.4%	99.00% but less than 99.50%
4.6%	99.50% but less than 99.70%
4.8%	99.70% but less than 99.79%
5.0%	99.79% but less than 99.87%
5.2%	99.87% but less than 99.94%
5.4%	99.94% to 100.00%

Fund Adequacy Percentage Ratio VII
90.00% but less than 100%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
2.0%	0.00% but less than 10.00%
2.1%	10.00% but less than 15.00%
2.2%	15.00% but less than 20.00%
2.3%	20.00% but less than 25.00%
2.4%	25.00% but less than 30.00%
2.5%	30.00% but less than 35.00%
2.6%	35.00% but less than 40.00%
2.7%	40.00% but less than 45.00%
2.8%	45.00% but less than 50.00%
2.9%	50.00% but less than 55.00%
3.0%	55.00% but less than 60.00%
3.1%	60.00% but less than 64.00%
3.2%	64.00% but less than 68.00%
3.3%	68.00% but less than 72.00%
3.4%	72.00% but less than 76.00%
3.5%	76.00% but less than 80.00%
3.6%	80.00% but less than 84.00%
3.7%	84.00% but less than 88.00%
3.8%	88.00% but less than 92.00%
3.9%	92.00% but less than 95.00%
4.0%	95.00% but less than 97.00%
4.2%	97.00% but less than 98.20%
4.4%	98.20% but less than 99.00%
4.6%	99.00% but less than 99.50%
4.8%	99.50% but less than 99.70%
5.0%	99.70% but less than 99.84%
5.2%	99.84% but less than 99.93%
5.4%	99.93% to 100.00%

Fund Adequacy Percentage Ratio VIII
Under 90%

Tax Rate	Cumulative Taxable Payroll Limits (Percentage of Total Taxable Payroll)
2.2%	0.00% but less than 10.00%
2.3%	10.00% but less than 15.00%
2.4%	15.00% but less than 20.00%
2.5%	20.00% but less than 25.00%
2.6%	25.00% but less than 30.00%
2.7%	30.00% but less than 35.00%
2.8%	35.00% but less than 40.00%
2.9%	40.00% but less than 45.00%
3.0%	45.00% but less than 50.00%
3.1%	50.00% but less than 55.00%
3.2%	55.00% but less than 60.00%
3.3%	60.00% but less than 65.00%
3.4%	65.00% but less than 70.00%
3.5%	70.00% but less than 75.00%
3.6%	75.00% but less than 80.00%
3.7%	80.00% but less than 84.00%
3.8%	84.00% but less than 88.00%
3.9%	88.00% but less than 92.00%
4.0%	92.00% but less than 95.00%
4.2%	95.00% but less than 97.00%
4.4%	97.00% but less than 98.20%
4.6%	98.20% but less than 99.00%
4.8%	99.00% but less than 99.50%
5.0%	99.50% but less than 99.80%
5.2%	99.80% but less than 99.92%
5.4%	99.92% to 100.00%

(4) Except as provided in subsection (6)(c) of this section:

(a) For each calendar quarter, of each rate determined under Table A, one hundred and *[nine]* **thirty-five** one-thousandths of a percentage point of the rate shall be used to determine an amount of the wages subject to tax under this chapter for that calendar quarter to be disposed of in accordance with this subsection.

(b) After withholding the actual shared costs of the department in collecting the amount of wages determined under paragraph (a) of this subsection, the director or the director's authorized representative shall pay the amount of wages into the Supplemental Employment Department Administration Fund established under ORS 657.783.

(5) Except as provided in subsection (6)(c) of this section:

(a) For the first calendar quarter of each odd-numbered year, in addition to the rate determined under subsection (4) of this section, of each rate determined under Table A, three one-hundredths of a percentage point of the rate shall be used to determine an amount of the wages subject to tax under this chapter for that calendar quarter to be disposed of in accordance with this subsection.

(b) After withholding the actual shared costs of the department in collecting the amount of wages determined under paragraph (a) of this subsection, the director or the director's authorized representative shall pay the amount of wages into the Wage Security Fund established under ORS 652.409.

(c) Except as provided in subsection (4) of this section, moneys due pursuant to this section but not received by the department for payment to the Wage Security Fund by June 30 of each odd-numbered year shall be paid into the Unemployment Compensation Trust Fund created under ORS 657.805.

(6)(a) All amounts of wages determined for disposition under subsections (4) and (5) of this section shall be paid and collected in the same manner and at the same time as unemployment compensation taxes under this chapter, unless the director prescribes otherwise.

(b) In no case shall the rates imposed on wages under subsections (4) and (5) of this section cause the total rate imposed on the wages under this section to exceed the rate determined under Table A for any employer.

(c) Subsections (4) and (5) of this section do not apply to the wages of employers whose assigned tax rate is 5.4 percent.

SECTION 2. ORS 657.783, as amended by section 3, chapter 76, Oregon Laws 2024, is amended to read:

657.783. (1) There is established in the State Treasury, separate and distinct from the General Fund, the Supplemental Employment Department Administration Fund. The Supplemental Employment Department Administration Fund shall consist of moneys collected or received by the Employment Department pursuant to ORS 657.462.

(2) Except as provided in subsection (3) of this section, all income earned on moneys in the Supplemental Employment Department Administration Fund invested by the State Treasurer shall accrue to the fund. Any balance in the fund shall not lapse at any time. All moneys in the fund are **continuously** appropriated [*continuously*] to the department for the payment of expenses of administration of this chapter for which federal funding has been reduced, eliminated or otherwise is not available, and which has been authorized in the legislatively approved budget of the department.

(3)(a) **As used in this subsection, "budgeted moneys" means the total amount of limited funds authorized for expenditure by the Employment Department under the legislatively approved budget, as defined in ORS 291.002, for a biennium ending on June 30 of an odd-numbered year, excluding any amounts budgeted for the Office of Administrative Hearings and the family and medical leave insurance program.**

(b) As determined on June 30 of each odd-numbered year, moneys in the Supplemental Employment Department Administration Fund that are in excess of [*150 percent of the amount collected pursuant to ORS 657.462 (4) for the first quarter of the previous even-numbered year*] **one-eighth of the budgeted moneys** shall be transferred to the Unemployment Compensation Trust Fund.

(c) The transfer required by this subsection shall be made by December 31 of the odd-numbered year.

SECTION 3. The amendments to ORS 657.462 by section 1 of this 2025 Act apply to calendar quarters beginning on or after April 1, 2025.

SECTION 4. The amendments to ORS 657.783 by section 2 of this 2025 Act apply to transfers made to the Unemployment Compensation Trust Fund for biennia ending on or after June 30, 2025.

SECTION 5. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.

Passed by Senate May 29, 2025

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Obadiah Rutledge, Secretary of Senate

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Rob Wagner, President of Senate

Passed by House June 17, 2025

.....
Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

.....
Tobias Read, Secretary of State