

## A-Engrossed Senate Bill 143

Ordered by the Senate May 23  
Including Senate Amendments dated May 23

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of State Treasurer Tobias Read)

### SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest: The Act would change the amount of unemployment insurance tax moneys that are paid into certain funds used for the UI program. (Flesch Readability Score: 61.4).**

*[Digest: The Act tells the State Treasurer to study public funds. (Flesch Readability Score: 78.2).]*

*[Requires the State Treasurer to study the administration of public funds. Directs the State Treasurer to submit findings to the interim committees of the Legislative Assembly related to ways and means not later than September 15, 2026.]*

*[Sunsets January 2, 2027.]*

**Increases the percentage points of the employer tax rate that are used to determine the amount of wages paid into the Supplemental Employment Department Administration Fund each calendar quarter. Changes the formula for determining the amount of excess moneys in the Supplemental Employment Department Administration Fund that are transferred to the Unemployment Compensation Trust Fund each biennium.**

**Takes effect on the 91st day following adjournment sine die.**

### A BILL FOR 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

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

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.

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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)

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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	1.8%	69.00% but less than 73.00%
2	1.9%	73.00% but less than 77.00%
3	2.0%	77.00% but less than 80.00%
4	2.1%	80.00% but less than 83.00%
5	2.2%	83.00% but less than 86.00%
6	2.3%	86.00% but less than 89.00%
7	2.4%	89.00% but less than 91.00%
8	2.5%	91.00% but less than 93.00%
9	2.6%	93.00% but less than 95.00%
10	2.7%	95.00% but less than 96.00%
11	2.8%	96.00% but less than 96.90%
12	2.9%	96.90% but less than 97.70%
13	3.0%	97.70% but less than 98.40%
14	3.1%	98.40% but less than 98.90%
15	3.2%	98.90% but less than 99.30%
16	3.4%	99.30% but less than 99.54%
17	3.6%	99.54% but less than 99.63%
18	3.8%	99.63% but less than 99.71%
19	4.0%	99.71% but less than 99.78%
20	4.2%	99.78% but less than 99.84%
21	4.4%	99.84% but less than 99.89%
22	4.6%	99.89% but less than 99.93%
23	4.8%	99.93% but less than 99.96%
24	5.0%	99.96% but less than 99.98%
25	5.2%	99.98% but less than 99.99%
26	5.4%	99.99% to 100.00%

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31 Fund Adequacy Percentage Ratio II

32 170.00% but less than 190%

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34 Tax Rate Cumulative Taxable Payroll Limits  
35 (Percentage of Total Taxable Payroll)

36 0.7% 0.00% but less than 10.00%

37 0.8% 10.00% but less than 15.00%

38 0.9% 15.00% but less than 20.00%

39 1.0% 20.00% but less than 25.00%

40 1.1% 25.00% but less than 30.00%

41 1.2% 30.00% but less than 35.00%

42 1.3% 35.00% but less than 40.00%

43 1.4% 40.00% but less than 44.00%

44 1.5% 44.00% but less than 48.00%

45 1.6% 48.00% but less than 52.00%

1	1.7%	52.00% but less than 56.00%
2	1.8%	56.00% but less than 60.00%
3	1.9%	60.00% but less than 64.00%
4	2.0%	64.00% but less than 68.00%
5	2.1%	68.00% but less than 72.00%
6	2.2%	72.00% but less than 76.00%
7	2.3%	76.00% but less than 79.00%
8	2.4%	79.00% but less than 82.00%
9	2.5%	82.00% but less than 85.00%
10	2.6%	85.00% but less than 88.00%
11	2.7%	88.00% but less than 90.00%
12	2.8%	90.00% but less than 92.00%
13	2.9%	92.00% but less than 93.50%
14	3.0%	93.50% but less than 94.90%
15	3.1%	94.90% but less than 96.20%
16	3.2%	96.20% but less than 97.40%
17	3.4%	97.40% but less than 98.54%
18	3.6%	98.54% but less than 99.54%
19	3.8%	99.54% but less than 99.63%
20	4.0%	99.63% but less than 99.71%
21	4.2%	99.71% but less than 99.78%
22	4.4%	99.78% but less than 99.84%
23	4.6%	99.84% but less than 99.89%
24	4.8%	99.89% but less than 99.93%
25	5.0%	99.93% but less than 99.96%
26	5.2%	99.96% but less than 99.98%
27	5.4%	99.98% to 100.00%

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32 Fund Adequacy Percentage Ratio III

33 145.00% but less than 170%

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35 Tax Rate Cumulative Taxable Payroll Limits  
36 (Percentage of Total Taxable Payroll)

37 0.9% 0.00% but less than 10.00%

38 1.0% 10.00% but less than 15.00%

39 1.1% 15.00% but less than 20.00%

40 1.2% 20.00% but less than 24.00%

41 1.3% 24.00% but less than 28.00%

42 1.4% 28.00% but less than 32.00%

43 1.5% 32.00% but less than 36.00%

44 1.6% 36.00% but less than 40.00%

45 1.7% 40.00% but less than 44.00%

1	1.8%	44.00% but less than 48.00%
2	1.9%	48.00% but less than 52.00%
3	2.0%	52.00% but less than 56.00%
4	2.1%	56.00% but less than 60.00%
5	2.2%	60.00% but less than 64.00%
6	2.3%	64.00% but less than 68.00%
7	2.4%	68.00% but less than 72.00%
8	2.5%	72.00% but less than 76.00%
9	2.6%	76.00% but less than 80.00%
10	2.7%	80.00% but less than 84.00%
11	2.8%	84.00% but less than 87.00%
12	2.9%	87.00% but less than 90.00%
13	3.0%	90.00% but less than 93.00%
14	3.1%	93.00% but less than 95.00%
15	3.2%	95.00% but less than 97.00%
16	3.4%	97.00% but less than 98.20%
17	3.6%	98.20% but less than 99.00%
18	3.8%	99.00% but less than 99.43%
19	4.0%	99.43% but less than 99.63%
20	4.2%	99.63% but less than 99.72%
21	4.4%	99.72% but less than 99.79%
22	4.6%	99.79% but less than 99.85%
23	4.8%	99.85% but less than 99.90%
24	5.0%	99.90% but less than 99.94%
25	5.2%	99.94% but less than 99.97%
26	5.4%	99.97% to 100.00%

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31 Fund Adequacy Percentage Ratio IV

32 125.00% but less than 145%

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34 Tax Rate Cumulative Taxable Payroll Limits  
35 (Percentage of Total Taxable Payroll)

36	1.2%	0.00% but less than 10.00%
37	1.3%	10.00% but less than 15.00%
38	1.4%	15.00% but less than 20.00%
39	1.5%	20.00% but less than 24.00%
40	1.6%	24.00% but less than 28.00%
41	1.7%	28.00% but less than 32.00%
42	1.8%	32.00% but less than 36.00%
43	1.9%	36.00% but less than 40.00%
44	2.0%	40.00% but less than 44.00%
45	2.1%	44.00% but less than 48.00%

1	2.2%	48.00% but less than 52.00%
2	2.3%	52.00% but less than 56.00%
3	2.4%	56.00% but less than 60.00%
4	2.5%	60.00% but less than 64.00%
5	2.6%	64.00% but less than 68.00%
6	2.7%	68.00% but less than 72.00%
7	2.8%	72.00% but less than 76.00%
8	2.9%	76.00% but less than 80.00%
9	3.0%	80.00% but less than 84.00%
10	3.1%	84.00% but less than 88.00%
11	3.2%	88.00% but less than 92.00%
12	3.3%	92.00% but less than 95.00%
13	3.4%	95.00% but less than 97.00%
14	3.6%	97.00% but less than 98.20%
15	3.8%	98.20% but less than 99.00%
16	4.0%	99.00% but less than 99.40%
17	4.2%	99.40% but less than 99.60%
18	4.4%	99.60% but less than 99.70%
19	4.6%	99.70% but less than 99.78%
20	4.8%	99.78% but less than 99.85%
21	5.0%	99.85% but less than 99.91%
22	5.2%	99.91% but less than 99.96%
23	5.4%	99.96% to 100.00%

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## Fund Adequacy Percentage Ratio V

110.00% but less than 125%

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31 Tax Rate Cumulative Taxable Payroll Limits  
 32 (Percentage of Total Taxable Payroll)

33	1.5%	0.00% but less than 10.00%
34	1.6%	10.00% but less than 15.00%
35	1.7%	15.00% but less than 20.00%
36	1.8%	20.00% but less than 24.00%
37	1.9%	24.00% but less than 28.00%
38	2.0%	28.00% but less than 32.00%
39	2.1%	32.00% but less than 36.00%
40	2.2%	36.00% but less than 40.00%
41	2.3%	40.00% but less than 44.00%
42	2.4%	44.00% but less than 48.00%
43	2.5%	48.00% but less than 52.00%
44	2.6%	52.00% but less than 56.00%
45	2.7%	56.00% but less than 60.00%

1	2.8%	60.00% but less than 64.00%
2	2.9%	64.00% but less than 68.00%
3	3.0%	68.00% but less than 72.00%
4	3.1%	72.00% but less than 76.00%
5	3.2%	76.00% but less than 80.00%
6	3.3%	80.00% but less than 84.00%
7	3.4%	84.00% but less than 88.00%
8	3.5%	88.00% but less than 92.00%
9	3.6%	92.00% but less than 95.00%
10	3.7%	95.00% but less than 97.00%
11	3.8%	97.00% but less than 98.20%
12	3.9%	98.20% but less than 99.00%
13	4.0%	99.00% but less than 99.40%
14	4.2%	99.40% but less than 99.60%
15	4.4%	99.60% but less than 99.70%
16	4.6%	99.70% but less than 99.78%
17	4.8%	99.78% but less than 99.85%
18	5.0%	99.85% but less than 99.91%
19	5.2%	99.91% but less than 99.96%
20	5.4%	99.96% to 100.00%

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25 Fund Adequacy Percentage Ratio VI

26 100.00% but less than 110%

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28 Tax Rate Cumulative Taxable Payroll Limits  
 29 (Percentage of Total Taxable Payroll)

30	1.8%	0.00% but less than 10.00%
31	1.9%	10.00% but less than 15.00%
32	2.0%	15.00% but less than 20.00%
33	2.1%	20.00% but less than 25.00%
34	2.2%	25.00% but less than 30.00%
35	2.3%	30.00% but less than 35.00%
36	2.4%	35.00% but less than 40.00%
37	2.5%	40.00% but less than 44.00%
38	2.6%	44.00% but less than 48.00%
39	2.7%	48.00% but less than 52.00%
40	2.8%	52.00% but less than 56.00%
41	2.9%	56.00% but less than 60.00%
42	3.0%	60.00% but less than 64.00%
43	3.1%	64.00% but less than 68.00%
44	3.2%	68.00% but less than 72.00%
45	3.3%	72.00% but less than 76.00%

1	3.4%	76.00% but less than 80.00%
2	3.5%	80.00% but less than 84.00%
3	3.6%	84.00% but less than 88.00%
4	3.7%	88.00% but less than 92.00%
5	3.8%	92.00% but less than 95.00%
6	3.9%	95.00% but less than 97.00%
7	4.0%	97.00% but less than 98.20%
8	4.2%	98.20% but less than 99.00%
9	4.4%	99.00% but less than 99.50%
10	4.6%	99.50% but less than 99.70%
11	4.8%	99.70% but less than 99.79%
12	5.0%	99.79% but less than 99.87%
13	5.2%	99.87% but less than 99.94%
14	5.4%	99.94% to 100.00%

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19 Fund Adequacy Percentage Ratio VII

20 90.00% but less than 100%

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22 Tax Rate Cumulative Taxable Payroll Limits  
 23 (Percentage of Total Taxable Payroll)

24	2.0%	0.00% but less than 10.00%
25	2.1%	10.00% but less than 15.00%
26	2.2%	15.00% but less than 20.00%
27	2.3%	20.00% but less than 25.00%
28	2.4%	25.00% but less than 30.00%
29	2.5%	30.00% but less than 35.00%
30	2.6%	35.00% but less than 40.00%
31	2.7%	40.00% but less than 45.00%
32	2.8%	45.00% but less than 50.00%
33	2.9%	50.00% but less than 55.00%
34	3.0%	55.00% but less than 60.00%
35	3.1%	60.00% but less than 64.00%
36	3.2%	64.00% but less than 68.00%
37	3.3%	68.00% but less than 72.00%
38	3.4%	72.00% but less than 76.00%
39	3.5%	76.00% but less than 80.00%
40	3.6%	80.00% but less than 84.00%
41	3.7%	84.00% but less than 88.00%
42	3.8%	88.00% but less than 92.00%
43	3.9%	92.00% but less than 95.00%
44	4.0%	95.00% but less than 97.00%
45	4.2%	97.00% but less than 98.20%



1	4.4%	98.20% but less than 99.00%
2	4.6%	99.00% but less than 99.50%
3	4.8%	99.50% but less than 99.70%
4	5.0%	99.70% but less than 99.84%
5	5.2%	99.84% but less than 99.93%
6	5.4%	99.93% to 100.00%

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## 11 Fund Adequacy Percentage Ratio VIII

12 Under 90%

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14 Tax Rate Cumulative Taxable Payroll Limits  
 15 (Percentage of Total Taxable Payroll)

16	2.2%	0.00% but less than 10.00%
17	2.3%	10.00% but less than 15.00%
18	2.4%	15.00% but less than 20.00%
19	2.5%	20.00% but less than 25.00%
20	2.6%	25.00% but less than 30.00%
21	2.7%	30.00% but less than 35.00%
22	2.8%	35.00% but less than 40.00%
23	2.9%	40.00% but less than 45.00%
24	3.0%	45.00% but less than 50.00%
25	3.1%	50.00% but less than 55.00%
26	3.2%	55.00% but less than 60.00%
27	3.3%	60.00% but less than 65.00%
28	3.4%	65.00% but less than 70.00%
29	3.5%	70.00% but less than 75.00%
30	3.6%	75.00% but less than 80.00%
31	3.7%	80.00% but less than 84.00%
32	3.8%	84.00% but less than 88.00%
33	3.9%	88.00% but less than 92.00%
34	4.0%	92.00% but less than 95.00%
35	4.2%	95.00% but less than 97.00%
36	4.4%	97.00% but less than 98.20%
37	4.6%	98.20% but less than 99.00%
38	4.8%	99.00% but less than 99.50%
39	5.0%	99.50% but less than 99.80%
40	5.2%	99.80% but less than 99.92%
41	5.4%	99.92% to 100.00%

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

45 (a) For each calendar quarter, of each rate determined under Table A, one hundred and [nine]

1 **thirty-five** one-thousandths of a percentage point of the rate shall be used to determine an amount  
 2 of the wages subject to tax under this chapter for that calendar quarter to be disposed of in ac-  
 3 cordance with this subsection.

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

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

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

13 (b) After withholding the actual shared costs of the department in collecting the amount of  
 14 wages determined under paragraph (a) of this subsection, the director or the director's authorized  
 15 representative shall pay the amount of wages into the Wage Security Fund established under ORS  
 16 652.409.

17 (c) Except as provided in subsection (4) of this section, moneys due pursuant to this section but  
 18 not received by the department for payment to the Wage Security Fund by June 30 of each odd-  
 19 numbered year shall be paid into the Unemployment Compensation Trust Fund created under ORS  
 20 657.805.

21 (6)(a) All amounts of wages determined for disposition under subsections (4) and (5) of this sec-  
 22 tion shall be paid and collected in the same manner and at the same time as unemployment com-  
 23 pensation taxes under this chapter, unless the director prescribes otherwise.

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

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

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

31 657.783. (1) There is established in the State Treasury, separate and distinct from the General  
 32 Fund, the Supplemental Employment Department Administration Fund. The Supplemental Employ-  
 33 ment Department Administration Fund shall consist of moneys collected or received by the Em-  
 34 ployment Department pursuant to ORS 657.462.

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

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

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

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

7       **SECTION 3.** The amendments to ORS 657.462 by section 1 of this 2025 Act apply to cal-  
8       endar quarters beginning on or after April 1, 2025.

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

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