

Unemployment Insurance Trust Fund Forecast Summary

June 2026

Executive summary

This report summarizes the June 2026 forecast of Oregon's Unemployment Insurance (UI) Trust Fund through 2029. This report is based on data from the Oregon Employment Department, U.S. Department of Labor, and Oregon Office of Economic Analysis. This report is released four times per year – March, June, September, and December. Historical data in each report is through the previous quarter, except for employment data which lags an additional quarter. This report includes actual UI data through the first quarter of 2026 and actual employment data through the fourth quarter of 2025.

State benefit payments are largely forecast to be higher than our 2026Q1 forecast. Employer contributions are forecast to be lower. The trust fund balance forecast is higher over the near term but lower over the long term than in our 2026Q1 forecast. The UI Trust Fund balance was \$7.0 billion on March 31, 2026.

UI tax schedule III is in effect in 2026. We forecast that schedule II will be in effect for 2027 and then return to tax schedule III in 2028 and 2029.

Contents

The remainder of this report covers the following:

- State benefit payments and employer contributions forecast through 2029
- Comparison of the last two UI Trust Fund balance forecasts
- UI Tax schedule forecast through 2029 and long-term average UI tax rates
- *Appendix 1*: Economic data for the last two forecasts
- *Appendix 2*: Definitions of economic data
- *Appendix 3*: Data for figures 1-4 from the last two forecasts

State benefit payments from the UI Trust Fund

Projected state benefits payments are higher in the 2026Q1 forecast than they were in the 2025Q4 forecast. The following table summarizes these payments over the last two forecasts:

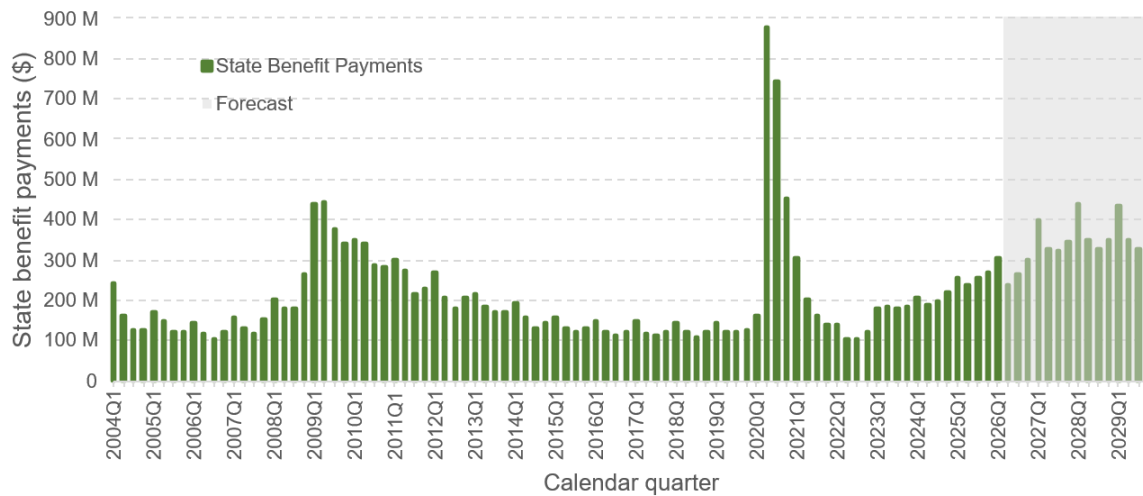
State Benefit Payment Forecast Change

	2026Q2 forecast	2026Q1 forecast	Percent change
2025	\$1,016,078,553	\$1,016,078,553	0.0%
2026	\$1,104,994,515	\$1,216,594,801	-9.2%
2027	\$1,389,371,346	\$1,312,690,456	5.8%
2028	\$1,463,171,876	\$1,361,636,784	7.5%
2029	\$1,456,430,150	\$1,373,118,758	6.1%

The decrease in projected 2026 state benefit payments between the two forecasts is driven by a change in the behavior of claims' seasonal pattern. Increases in payments after 2026 are driven by increases in the unemployment rate forecast and by reduction in the employment forecast. Note that there has been a shift in seasonal claim patterns. We anticipate that this will impact forecast accuracy for some time.

Figure 1 shows actual and forecast state benefit payments from the UI Trust Fund from 2004 to 2029. The UI workload forecast is based on projected economic conditions, historic claims data, and workload forecasts.

Figure 1. State benefit payments from the UI Trust Fund, Oregon, 2004-29



Source: Oregon Employment Department / ETA 5159 / OED Workload Report / Office of Economic Analysis

Employer contributions to the UI Trust Fund

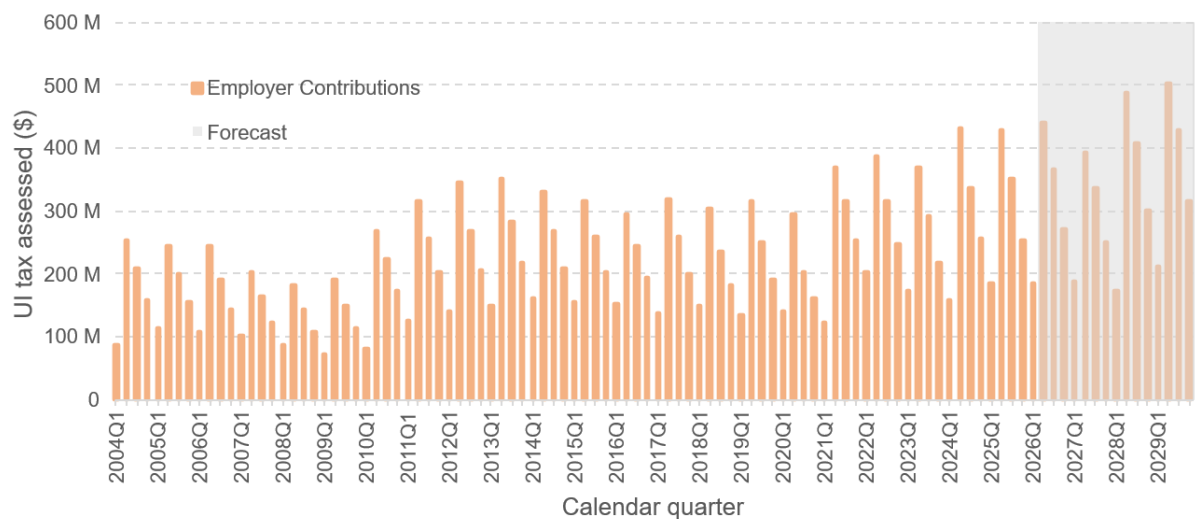
Projected employer contributions are relatively unchanged compared to our 2025Q4 forecast. The following table shows projected employer contributions through 2029 for our two most recent forecasts:

Employer Contribution Forecast Change				
	2026Q2 forecast	2026Q1 forecast	Percent change	
2025	\$1,223,006,160	\$1,224,834,266	-0.1%	
2026	\$1,261,082,662	\$1,291,053,029	-2.3%	
2027	\$1,168,511,638	\$1,359,587,793	-14.1%	
2028	\$1,372,194,379	\$1,433,633,667	-4.3%	
2029	\$1,459,430,447	\$1,488,727,008	-2.0%	

Changes are driven by a lower forecast of employment. Note the sharp decline in 2027 is driven by a projection that tax schedule II (instead of tax schedule III) is in effect.

Figure 2 shows actual and forecast employer contributions to the UI Trust Fund between 2004 and 2029. Contributions to the UI Trust Fund are based on the UI tax schedule and they exclude contributions for the Supplemental Employment Department Administrative Fund. Again, please note that the decline in 2027 is driven by the projected adoption of tax schedule II.

Figure 2. Employer contributions to the UI Trust Fund, Oregon, 2004-29

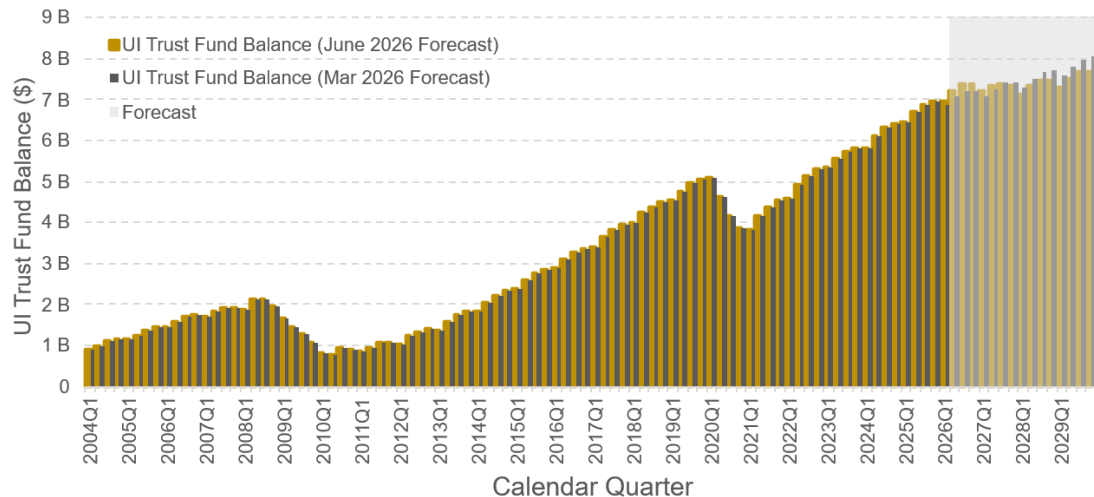


Source: Oregon Employment Department / ETA 2112 / Office of Economic Analysis

UI Trust Fund balance

Figure 3 shows the actual and forecast UI Trust Fund balance between 2004 and 2029 for the last two forecasts. The March 2026 forecast is essentially unchanged from the December 2025 forecast. The balance was \$7.0 billion on December 31, 2025.

Figure 3. UI Trust Fund balance, Oregon, 2004-29



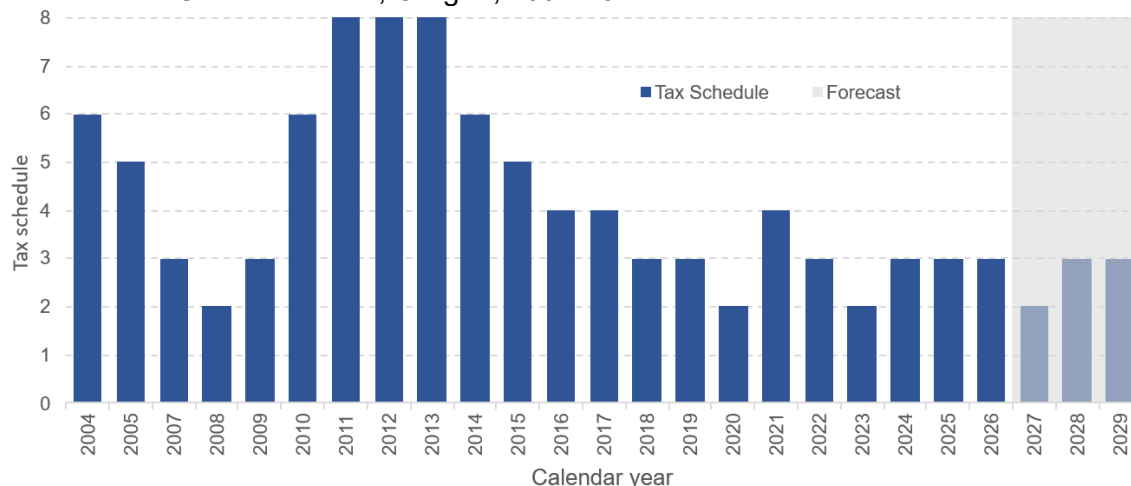
Source: Oregon Employment Department / ETA 2112

The UI Trust fund earns quarterly interest on the balance invested at the U.S. Treasury. This additional fund stream increases the likelihood of a lower statewide UI tax schedule and individual employer tax rates. Since the Trust Fund balance low point of \$767 million in the second quarter of 2010, the UI Trust Fund has earned more than \$1.4 billion in interest, including \$56.3 million in 2026Q1.

Statewide tax schedule and individual employer tax rates

Figure 4 shows the actual and forecast statewide UI tax schedule between 2004 and 2029. UI tax schedule III is in effect in 2026. We currently project that tax schedule II will be in effect in 2027 before returning to tax schedule III.

Figure 4. Statewide UI tax schedule, Oregon, 2004-29



Source: Oregon Employment Department / ETA 5159

Contact information

For more information, contact OED's Communication team at OED_communications@oregon.gov.

The Oregon Employment Department (OED) is an equal opportunity agency. OED provides free help so you can use our services. Some examples are sign language and spoken-language interpreters, written materials in other languages, large print, audio, and other formats. To get help, please go to unemployment.oregon.gov and click on Contact Us or call us at 877-345-3484. TTY users call 711.

El Departamento de Empleo de Oregon (OED) es una agencia de igualdad de oportunidades. El OED proporciona ayuda gratuita para que usted pueda utilizar nuestros servicios. Algunos ejemplos son intérpretes de lengua de señas e idiomas hablados, materiales escritos en otros idiomas, letra grande, audio y otros formatos. Para obtener ayuda, vaya a <https://unemployment.oregon.gov/es/> y haga clic en Contact o llámenos al 877-345-3484. Usuarios de TTY pueden llamar al 711.

Appendix 1: Economic data

Appendix table A1 reports the major economic variables from the Office of Economic Analysis forecast, including a comparison of the data from the last two forecasts.

Appendix table A1. Employment, income, and other indicators forecasts, Oregon, 2021-29

Calendar Year Quarter	Total Nonfarm Employment (thousands of employees)		Wage & Salary (2017Q1-2017Q2 = 100)		Unemployment Rate (percent of civilian labor force)		CPI, West Region (1982-84=100)	
	Jun-26	Mar-26	Jun-26	Mar-26	Jun-26	Mar-26	Jun-26	Mar-26
2021Q1	1,832.9	1,832.3	121.1	121.1	6.2%	6.2%	279.6	279.6
2021Q2	1,863.9	1,863.3	125.0	125.0	5.6%	5.6%	285.1	285.1
2021Q3	1,895.4	1,894.6	128.4	128.4	4.7%	4.7%	289.8	289.8
2021Q4	1,911.6	1,913.2	131.5	131.5	4.0%	4.0%	295.6	295.6
2022Q1	1,927.7	1,927.2	134.2	134.2	3.8%	3.8%	302.4	302.4
2022Q2	1,938.6	1,937.6	134.5	134.5	3.8%	3.8%	309.2	309.2
2022Q3	1,963.6	1,963.1	137.4	137.4	4.0%	4.0%	313.7	313.7
2022Q4	1,961.6	1,962.6	137.4	137.4	4.1%	4.1%	316.9	316.9
2023Q1	1,982.3	1,982.6	140.9	140.9	3.7%	3.7%	319.8	319.8
2023Q2	1,987.1	1,987.7	140.5	140.5	3.6%	3.6%	322.3	322.3
2023Q3	1,988.2	1,987.9	143.8	143.8	3.8%	3.8%	325.5	325.5
2023Q4	1,988.2	1,987.6	143.0	143.0	4.0%	4.0%	327.8	327.8
2024Q1	1,984.0	1,984.0	145.2	145.2	4.1%	4.1%	330.5	330.5
2024Q2	1,992.2	1,992.0	148.0	148.0	4.2%	4.1%	332.8	332.8
2024Q3	1,994.0	1,998.2	150.0	150.0	4.3%	4.2%	333.0	332.9
2024Q4	1,994.9	1,996.0	152.4	152.4	4.5%	4.3%	335.6	335.6
2025Q1	1,988.0	1,987.9	151.2	151.1	4.9%	4.5%	338.4	338.5
2025Q2	1,985.7	1,985.5	152.7	152.6	5.2%	4.8%	340.8	340.8
2025Q3	1,979.1	1,985.9	154.6	154.2	5.3%	5.0%	343.6	343.5
2025Q4	1,971.8	1,987.3	156.4	157.8	5.3%	5.2%	345.7	345.7
2026Q1	1,967.9	1,990.3	158.6	159.7	5.2%	5.3%	348.0	346.2
2026Q2	1,968.6	1,996.3	160.6	161.9	5.3%	5.3%	351.8	348.6
2026Q3	1,969.5	2,000.7	163.1	164.2	5.5%	5.3%	352.5	351.3
2026Q4	1,970.0	2,004.9	165.1	166.5	5.6%	5.3%	354.4	353.6
2027Q1	1,973.3	2,009.7	167.5	168.9	5.6%	5.2%	356.7	356.0
2027Q2	1,976.9	2,013.3	170.0	171.3	5.6%	5.2%	358.8	358.4
2027Q3	1,981.3	2,016.5	172.4	173.6	5.6%	5.1%	360.7	360.8
2027Q4	1,986.1	2,018.7	174.7	175.6	5.5%	5.1%	362.6	362.8
2028Q1	1,991.0	2,021.4	177.0	177.7	5.5%	5.1%	364.4	364.8
2028Q2	1,994.6	2,023.1	179.3	179.8	5.4%	5.1%	366.2	366.8
2028Q3	1,997.9	2,025.4	181.3	181.8	5.4%	5.1%	368.4	369.1
2028Q4	2,001.3	2,028.0	183.4	183.8	5.3%	5.0%	370.6	371.6
2029Q1	2,005.6	2,032.0	185.5	185.7	5.2%	5.0%	372.5	373.5
2029Q2	2,009.7	2,035.4	187.8	187.7	5.2%	5.0%	374.8	375.5
2029Q3	2,013.8	2,039.1	190.1	189.7	5.2%	4.9%	377.0	377.5
2029Q4	2,017.6	2,042.8	192.4	191.8	5.1%	4.9%	379.2	379.6

Source: [Office of Economic Analysis](#)

Appendix 2: Definitions of economic data

The following are definitions for the economic data reported in table A1:

- **Total nonfarm employment:** A measure of the number of workers in the economy that excludes proprietors, private household employees, unpaid volunteers, farm employees, and the unincorporated self-employed. Nonfarm employment is used in the UI Trust Fund model to forecast covered employment and taxable employment.
- **Wage and salary:** This component of personal income consists of the monetary remuneration of employees. It reflects disbursed wages and salaries, but not necessarily earned, during the quarter. This component is measured before deductions, such as Social Security contributions and union dues. The percentage growth for wage and salary is used in the UI Trust Fund model to forecast state benefit payments, taxable payroll, and the fund adequacy percentage ratio (ORS 657.459).
- **Unemployment rate:** The rate computed by dividing total unemployed by the civilian labor force. The rate is seasonally adjusted, which smooths out the impact of cyclical patterns that occur every year, such as the increase in unemployment due to winter weather and reduced schooling in summer.
- **Consumer Price Index:** A measure of the prices paid by urban consumers in the west region for a market basket of consumer goods and services. This is not used to adjust dollar values for inflation in the forecast; the data are provided for reference.

Appendix 3: Data for figures 1-4

Appendix table A2. State benefit payments, employer contributions, UI Trust Fund balance and UI tax schedule forecasts, Oregon, 2003-29.

Calendar Year Quarter	State Benefit Payments (\$)		Employer Contributions (\$)		UI Trust Fund Balance (\$)		UI Tax Schedule	
	Jun-26	Mar-26	Jun-26	Mar-26	Jun-26	Mar-26	Jun-26	Mar-26
2020Q1	159,365,181	159,365,181	141,807,539	141,807,539	5,073,429,955	5,073,429,955	2	2
2020Q2	876,921,817	876,921,817	295,168,782	295,168,782	4,637,994,890	4,637,994,890	2	2
2020Q3	741,290,839	741,290,839	203,774,608	203,774,608	4,144,081,818	4,144,081,818	2	2
2020Q4	452,295,426	452,295,426	161,012,641	161,012,641	3,840,545,839	3,840,545,839	2	2
2021Q1	302,331,536	302,331,536	124,162,155	124,162,155	3,807,348,051	3,807,348,051	4	4
2021Q2	202,708,490	202,708,490	368,321,968	368,321,968	4,154,716,465	4,154,716,465	4	4
2021Q3	162,599,095	162,599,095	316,155,626	316,155,626	4,382,698,157	4,382,698,157	4	4
2021Q4	137,826,844	137,826,844	252,444,498	252,444,498	4,522,049,247	4,522,049,247	4	4
2022Q1	136,870,187	136,870,187	202,095,542	202,095,542	4,599,783,217	4,599,783,217	3	3
2022Q2	103,233,699	103,233,699	387,941,333	387,941,333	4,921,357,064	4,921,357,064	3	3
2022Q3	102,674,633	102,674,633	314,898,295	314,898,295	5,135,997,107	5,135,997,107	3	3
2022Q4	123,225,939	123,225,939	248,398,036	248,398,036	5,302,554,359	5,302,554,359	3	3
2023Q1	181,315,652	181,315,652	174,079,413	174,079,413	5,325,625,809	5,325,625,809	2	2
2023Q2	181,565,956	181,565,956	368,596,878	368,596,878	5,565,159,348	5,565,159,348	2	2
2023Q3	181,077,540	181,077,540	290,588,618	290,588,618	5,709,210,646	5,709,210,646	2	2
2023Q4	185,098,933	185,098,933	217,910,482	217,910,482	5,797,051,729	5,797,051,729	2	2
2024Q1	207,255,899	207,255,899	158,575,851	158,575,851	5,808,948,520	5,808,948,520	3	3
2024Q2	186,403,527	186,403,527	430,594,401	430,594,401	6,090,213,641	6,090,213,641	3	3
2024Q3	198,305,539	198,305,539	337,465,521	337,465,521	6,295,831,376	6,295,831,376	3	3
2024Q4	221,627,157	221,627,157	255,712,137	255,712,137	6,411,224,116	6,411,224,116	3	3
2025Q1	256,378,326	256,378,326	186,058,288	186,058,288	6,423,310,628	6,423,310,628	3	3
2025Q2	235,916,983	235,916,983	430,073,818	430,073,818	6,701,643,606	6,701,643,606	3	3
2025Q3	255,410,938	255,410,938	352,020,883	352,020,883	6,867,796,895	6,867,796,895	3	3
2025Q4	268,372,305	268,372,305	254,853,170	256,681,276	6,951,181,883	6,951,181,883	3	3
2026Q1	302,968,472	325,855,411	184,365,083	186,328,707	6,963,799,315	6,867,203,815	3	3
2026Q2	237,556,688	291,127,988	439,400,120	449,998,322	7,219,164,474	7,063,092,100	3	3
2026Q3	264,469,421	292,907,283	365,855,768	375,936,836	7,363,152,581	7,187,775,937	3	3
2026Q4	299,999,934	306,704,119	271,461,691	278,789,164	7,378,464,100	7,202,627,252	3	3
2027Q1	396,292,897	384,187,924	189,564,680	197,246,173	7,217,684,452	7,060,507,439	2	3
2027Q2	328,548,118	317,569,861	394,359,201	469,524,225	7,327,163,037	7,249,729,801	2	3
2027Q3	321,795,839	297,347,457	335,339,529	397,998,447	7,388,430,167	7,397,582,614	2	3
2027Q4	342,734,493	313,585,214	249,248,228	294,818,948	7,343,674,649	7,427,609,692	2	3
2028Q1	436,697,394	399,864,708	174,074,190	207,720,088	7,131,704,845	7,286,709,871	3	3
2028Q2	349,439,178	334,501,130	488,707,088	500,903,098	7,312,388,170	7,488,290,320	3	3
2028Q3	328,700,445	305,278,883	407,373,767	416,850,314	7,442,605,718	7,652,629,940	3	3
2028Q4	348,334,859	321,992,063	302,039,334	308,160,167	7,450,150,583	7,694,121,184	3	3
2029Q1	434,476,346	404,420,406	210,528,305	217,058,385	7,281,913,800	7,564,241,356	3	3
2029Q2	347,804,808	338,919,951	504,309,817	514,426,554	7,494,248,269	7,789,501,873	3	3
2029Q3	325,397,640	305,436,145	427,361,514	435,325,088	7,650,958,100	7,976,235,069	3	3
2029Q4	348,751,355	324,342,256	317,230,811	321,916,982	7,676,134,985	8,032,860,720	3	3

Source: Oregon Employment Department

Note: Forecast shaded in gray. Small differences in historical actuals represent delays in availability of information.