

March 20, 2020

TO: Co-Chair Arnie Roblan
Co-Chair Paul Holvey
Joint Committee on Coronavirus Response

FROM: Oregon Business COVID-19 Response Coalition

RE: Draft Emergency Actions for COVID-19 Relief

We write today in response to the “draft emergency actions for COVID-19 relief” posted to the Oregon Legislative Information System website. It is clear the committee considered bold steps to protect Oregon workers and families during this unprecedented time, including expansion of Oregon’s unemployment insurance program. However, the proposals put forward fall short in providing the same protections to Oregon businesses, many of whom have suffered devastating economic impacts since action was first taken to stop the spread of COVID-19 in Oregon.

Public health must remain the a top priority across our state. That same public health goal requires a strong economy – both now and as soon as life can resume to normal. With that said, Oregon’s business community needs real assistance not only to survive, but also to protect jobs in the months ahead. We must act swiftly to avoid long-term devastating effects throughout Oregon. It is critically important for the committee to ensure not only that employees are protected from the short-term economic challenges they face, but also that businesses can withstand these economic hardships so employees ultimately have jobs to return to when this situation subsides. Without immediate and aggressive action, many businesses across all sectors of our economy could fail. Without short-term mitigation, the overall impact on our economy and ultimately the state budget will be devastating.

The Oregon business community came together and very quickly crafted the solutions in the attached document. We are open to additional options, but believe these measures represent the best options for the Legislature to help our struggling businesses and the Oregonians we employ. We appreciate efforts to incorporate some suggestions concerning the UI fund as well as the reference to streamlining reporting and rules during the declaration. However, we have serious concerns with the lack of recommendations included in the draft legislative proposal and we have significant concerns with the proposal because it lacks any solutions that will have a measurable impact on Oregon businesses impacted by this crisis.

We urge the committee to revisit the attached asks from the business community and seriously consider them as part of the short-term proposal to support employers. We specifically request the Legislature take action in the proposed Special Session on the following items:

- Delay implementation of the new Corporate Activities Tax at least for the first quarter so the funds can be used to meet payroll and to protect jobs. Cash flow will be the single most important element for businesses in this critical time, and delay of the CAT is the best way to ensure businesses facing decreased sales can stay operational.
- Relax predictive scheduling requirements and enact a moratorium on penalties. It is impossible for businesses to predict workforce needs in this uncertain time and to effectively continue operations, they need flexibility in scheduling employees.

- Lift maximum hours restrictions on manufacturing to allow workers who are healthy and who want to work overtime to fill the gap created by other employee absences and to ensure manufacturers can meet demand during this critical time.
- Extend deadlines and lift requirements for regulations that are impracticable to comply with in this time of crisis. Training requirements, extensions on licensing, prohibitions on self-service gasoline service and various other policies should be suspended.
- Identify other opportunities to relieve the financial burden on industry sectors including delaying potential new local taxes, suspending payroll taxes, and suspending weight-mile taxes. Additionally, consider tax credits, loans and other incentives that encourage businesses to invest in their business and their employees during this challenging economic time.

We are all in this together. If one positive has emerged from this crisis, it's the renewed commitment to putting politics aside to do what's right for our state and country. We urge the committee to revisit the draft actions list to include actions that will help employees *and* businesses devastated by the necessary actions to protect against the spread of COVID-19.