

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass the A-Engrossed Measure
Vote:	5 - 0 - 0
Yeas:	Hass, Kruse, Metsger, Morse, Walker
Nays:	0
Exc.:	0
Prepared By:	Dana Richardson, Administrator
Meeting Dates:	2/19

WHAT THE MEASURE DOES: Authorizes Governor to waive one-week waiting period for payment of Unemployment Insurance benefits, following declaration of an emergency, to individuals residing within affected areas. Makes authorization contingent upon federal law allowing waiver without penalty.

ISSUES DISCUSSED:

- Amount of required federal penalty
- Possibility of federal waiver

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Unemployment Insurance (UI) provides workers with income in cases where they find themselves without work, even temporarily. Current law requires a one-week waiting period following loss of employment before an individual may qualify to receive unemployment benefits.

Following the December 2007 storm that struck several communities in northwest Oregon, residents of those communities whose places of business were affected by the storm were temporarily out of work. Some of those individuals were ineligible to receive federal disaster UI because they were eligible for state unemployment at the time of the event. However, they were ineligible to qualify for state UI due to the one-week waiting period requirement.

House Bill 3606-A provides the Governor with the authority to waive the one-week waiting period for qualifying for UI benefits for individuals living in the affected area following a disaster declaration. However, because such a waiver would currently cause Oregon to incur a federal penalty for early payment of UI benefits, the measure stipulates that the Governor's authority to waive the waiting period is inactive until such time as the federal government provides authorization to do so without incurring a penalty.