

Oregon's Response to COVID-19 Must Include Changes to Unemployment Insurance

Testimony submitted by Janet Bauer, policy analyst, March 18, 2020

With layoffs and quarantines due to the coronavirus pandemic looming, Oregon policymakers should modify the state's Unemployment Insurance (UI) program to help workers and businesses cope with the crisis.

We make recommendations for changes to UI in the report, [Changes to Unemployment Insurance would help Oregon cope with COVID-19](#), which include the following.

1. **Extend UI benefits to workers who are quarantined.** While Oregon law provides for paid sick leave, the law does not cover all workers, and those covered can accrue at most five days of paid sick leave in a year. That is not enough to cover a 14-day quarantine, what health experts consider reasonable. Extending UI benefits to quarantined workers would help families cover the bills during this time of crisis, making it more likely that workers would be able to carry out the quarantine.
2. **Allow UI for workers caring for family members.** Workers impacted by the emergency may not have sufficient or any paid sick leave to cover when they need to leave their job to care for sick family members or children out of school.
3. **Waive UI tax rate increases for businesses during the crisis.** Greater use of unemployment benefits by workers means higher UI tax rates for employers. We call on lawmakers to waive UI business tax increases to help businesses weather the crisis.
4. **Waive the one-week waiting period.** Currently, Oregon pays no UI benefits for the first week a worker meets all the eligibility requirements — often several weeks after work ends. The so-called “waiting week” will make it harder for some families hit by loss of earnings to meet their basic needs. Oregon should permanently eliminate this outdated practice.
5. **Waive work search requirements.** Unless workers are temporarily laid off, they are required to look for work to receive UI benefits. Looking for work during the pandemic could violate public health advisories, and put workers' health in jeopardy, particularly those with lower incomes. As a public health measure, Oregon should suspend UI work search rules during the emergency.
6. **Clarify “good cause” to quit a job.** During the emergency, Oregon's UI program should recognize that workers have good cause to quit a job if they are required to perform work that jeopardizes their health, or they need to stop working to care for a sick or quarantined family member or a child out of school.
7. **Promote Work Share.** Under Work Share, instead of laying off some workers, an employer needing to reduce staff cuts the hours for a group of workers, who then receive partial UI benefits to supplement their earnings. Work Share can help both employers and workers during an economic downturn, but only if employers know about it. Oregon should aggressively market this option.

I respectfully urge the legislature to take these steps to help families and businesses weather the economic impacts of the COVID-19 emergency.