

Oregon Unemployment Insurance:

Delivery Problems May Have Caused Several Successes to be Overlooked.

This is Tom Cusack. I live in Lake Oswego, am a retired Field Office Director for the US Department of Housing and Urban Development, and the author of the Oregon Housing Blog.

For the last several months I have been closely watching Oregon's progress in making unemployment insurance available to eligible Oregonians. My interest has been primarily to better understand the amount of help that unemployment insurance can provide to help pay for housing expenses.

While Oregon's many unemployment insurance delivery problems have been widely reported (and deservedly so) I thought it would be useful to also point out several unemployment insurance successes in Oregon that are frequently overlooked.

1. **AFTER Taxes, Unemployment Insurance Has Provided \$1.1 Billion for Housing Expenses:** If 30% of unemployment insurance were used for housing, the \$4.4 Billion in gross Oregon Unemployment Insurance benefits for the **6 months** from Mid-March through mid-September provided \$1.32 Billion to help pay housing expenses. *That reduces to a still substantial \$1.108 Billion after subtracting an assumed combined federal/state income tax rate of 16%/\$211.2 Million.* As of frame of reference, the total of HUD housing choice funding for ALL of CY 2019 in Oregon was substantially smaller, at \$250 million.
2. **Despite Record Pay Outs, The Oregon Unemployment Insurance Trust Fund Balance of \$4.2 Billion Remains the Highest in the Nation.** Despite the \$4.4 billion in unemployment insurance payments from mid-March to mid-September the Oregon Trust fund balance as of mid-September was still \$4.2 Billion, the highest in the nation, and only \$120 million/2.8% less than the mid-September 2019 Oregon unemployment insurance trust fund balance.
3. **A Record Share (76%) of Oregon's Unemployed Are Currently Filing Continued Claims for Regular Unemployment Insurance:** As of August, on a 12-month moving average basis, 76% (109,511) of Oregon's unemployed (144,531) were filing continuing claims for regular unemployment insurance. That is the highest level of reciprocity in 45 years and *more than double the 34% reciprocity rate as of December 2019.* (The actual August 2020 reciprocity rate would be even higher if extended benefits and pandemic unemployment insurance recipients were added).
4. **Because of the High Rate of Regular Unemployment Insurance Reciprocity, the Number of Unemployed Oregonians NOT Filing Continuing Claims for Regular Unemployment Insurance is the LOWEST in 45 Years.** On a 12-month moving average In August 2020 there were 35,201 unemployed Oregonians who were NOT filing continuing claims for unemployment insurance. *That is the LOWEST number of unemployed NOT claiming regular unemployment insurance in the last 45 years.* (On a 12-month moving average In December of 2019 there were 51,838 unemployed who were NOT filing regular unemployment insurance continuing claims-*that is 48%/16,817 MORE than the 35,201 unemployed NOT filing continued claims than in August of 2020.*)