

HB 3178 STAFF MEASURE SUMMARY

House Committee On Rules

Prepared By: Melissa Leoni, LPRO Analyst

Meeting Dates: 2/23, 3/11

WHAT THE MEASURE DOES:

Removes condition for being deemed “unemployed” that individual’s weekly remuneration for part-time work must be less than individual’s weekly unemployment insurance benefit amount between effective date and January 2, 2022. Restores condition for weeks beginning on or after January 2, 2022. Declares emergency, effective on passage.

FISCAL: Fiscal impact issued

REVENUE: Revenue impact issued

ISSUES DISCUSSED:

- Purpose of changes made in 2020 Second Special Session
- Existing change not helping all claimants

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Eligible unemployed Oregonians receive a weekly unemployment insurance (UI) benefit amount that is 1.25 percent of the worker’s total wages paid in the worker’s base year, subject to a minimum of \$157 and a maximum of \$673. A worker is eligible to receive UI benefits if they work less than full time; however, the UI benefit they receive may be reduced. Before September 1, 2020, the benefit was reduced by the amount that an individual's weekly earnings exceeded the greater of ten times the minimum wage or one-third of their weekly UI benefit. However, if a part-time worker’s weekly earnings are greater than their weekly UI benefit, they are not considered to be unemployed, and thus not eligible to receive any benefits.

In the 2020 Second Special Session, the Legislative Assembly passed Senate Bill 1701 to temporarily allow a worker to earn up to \$300 a week before their weekly UI benefit is reduced. This new formula will be in effect until January 1, 2022. The legislation did not amend the statute that considers a person unemployed when their weekly earnings are less than their weekly benefit; this resulted in workers with a benefit of less than \$300 not being able to earn up to \$300. House Bill 3178 clarifies that an individual is considered “unemployed” in any week during which the individual performs no services or less than full-time work until January 2, 2022.