



A STRONG VOICE FOR OREGON'S WORKERS

TO: Chair Smith Warner
Vice-Chairs Drazen and Holvey
Members of the House Rules Committee

FR: Catie Theisen, Oregon AFL-CIO

RE: HB 3178 Support, Critical Wage Support for Oregon's most Vulnerable Workers

February 24, 2021

The Oregon AFL-CIO represents 300,000 workers across Oregon and is a voice for all workers in the legislative process. Over the last year, countless union members and thousands of some of the most vulnerable workers in Oregon have interacted with the unemployment system at unprecedented levels and in unprecedented ways in the wake of COVID-19.

And it's clear that the last year of the pandemic has hit workers incredibly hard, particularly some of the most low-income workers and those who are currently and historically marginalized -- Black, Indigenous, Latinx workers and women. Further, lower income adults who were laid off due to the coronavirus are significantly less likely to be working now than middle- and upper-income adults who lost their jobs. Even if they didn't lose a job, many workers have had to reduce their hours or take a pay cut due to the economic fallout from the pandemic.¹ These workers have faced the steepest battles throughout the pandemic. Low wage workers often had to choose between quarantining or losing their healthcare, not having access to COVID-specific paid sick time, and saw disproportionate layoffs in sectors hardest hit by necessary public health measures.

These job loss numbers not only affect workers and businesses, but the economy as a whole. HB 3178 poses a simple solution to help address this by allowing employees who make \$300 or less a week to also collect unemployment insurance. For too many workers currently, there is a tipping point where their unemployment benefits exceed the part-time salary from the low-wage jobs that are hiring during the pandemic. This is not only standing in the way of Oregonians being able to pay their bills, but also a barrier for businesses to hire part-time help and reopen.

HB 3178 fills a gap in the UI efforts from the 2020 special sessions to help the workers making the least and struggling the most. To make this temporary change to the unemployment system would minimally impact the trust, but help approximately 20,000 Oregonians get back to work.

The COVID-19 pandemic has posed unprecedented challenges -- particularly for Oregonians who were already struggling to get by -- and it warrants creative solutions to get the economy back on track. We encourage your support of HB 3178.

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<https://www.pewresearch.org/social-trends/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/>