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On Behalf Of:  
Committee: House Committee On Labor and Workplace Standards  
Measure, Appointment or Topic: HB3024

As a conservative Native American woman and a lifelong resident of Washington County, Oregon, I strongly urge you not to consider this bill without a comprehensive financial impact statement. It is unacceptable to proceed without such an analysis, especially when the state invests considerable resources in collecting, storing, and organizing data that would make generating this statement both efficient and straightforward.

Engaging in discussions or debates about this bill without all relevant financial data is not only imprudent but also a disservice to those you represent. The fiscal implications of this legislation are likely to be significant and could greatly impact our budget. If the bill truly has no financial consequences, one must question its necessity.

In either scenario, it is irresponsible to bring this bill forward without providing policymakers and the public with the critical information needed to evaluate its merits. Transparent, data-driven decision-making is essential to maintaining public trust and ensuring fiscal responsibility.

Furthermore, eliminating the reduction of an individual's maximum unemployment benefit amount in cases of disqualification for cause may seem fair on the surface, but there are potential downsides to consider. Here are the key cons of such a change:

#### 1. Reduced Accountability for Misconduct

Discouraging compliance with workplace standards: Removing the reduction in benefits could weaken the deterrent effect for employees engaging in behavior that leads to disqualification for cause (e.g., misconduct, policy violations).

Fairness to employers: Employers may feel that the system does not adequately hold individuals accountable for actions that warranted their disqualification.

#### 2. Increased Cost to the Unemployment Insurance System

Higher payout obligations: This change could lead to higher benefit payouts, as individuals who previously would have seen reduced benefits after disqualification may now receive the full benefit.

Strain on UI funds: With more funds being allocated to these cases, it could deplete reserves, potentially leading to higher unemployment taxes for employers or reduced benefits for other recipients.

### 3. Potential for Abuse

Reduced incentives to earn reinstatement: The current system incentivizes disqualified individuals to earn at least four times their weekly benefit amount to requalify. Without this requirement, some may delay seeking new employment.

Moral hazard: By removing financial consequences for disqualification, the system could inadvertently enable behaviors that undermine workplace rules and productivity.

### 4. Equity Concerns

Unfair to compliant claimants: This change may be viewed as unfair by individuals who follow the rules, as it could result in equal or greater benefits being provided to those who were disqualified for cause.

Negative perception by taxpayers: Taxpayers might perceive the system as overly lenient, eroding public trust in the unemployment insurance program.

### 5. Administrative Challenges

Policy complexity: Changes to benefit structures could complicate the administration of unemployment benefits, requiring new training for staff and updates to systems.

Legal challenges: Employers or other stakeholders might challenge the fairness or legality of such a change, potentially leading to delays or litigation.

Policymakers should carefully weigh these potential downsides against the benefits before proceeding and yet we are having a hearing on this bill with not financial impact statement yet ready to consider.