

Submitter: Annelisa Zander
On Behalf Of:
Committee: Senate Committee On Labor and Business
Measure, Appointment or Topic: SB622

Written Testimony in Support of SB 622
Annelisa Zander, Berger International LLC
February 18, 2025

Chair and Members of the Senate Committee on Labor and Business,

I am writing to express strong support for Senate Bill 622, which would exempt Oregon H-2A employers from paying unemployment insurance (UI) taxes for workers who are ineligible to collect unemployment benefits. As a representative of Berger International LLC, I understand firsthand the significant challenges Oregon employers face with already high business costs. SB 622 is a necessary step toward ensuring that businesses in our state are not unfairly burdened with additional financial obligations.

Under current law, Oregon employers are required to pay UI taxes on H-2A workers, even though these workers are not eligible to collect unemployment benefits. This situation creates a disparity between Oregon and other states, such as New York and Washington, which align their UI administration with federal law (FUTA) and appropriately exempt H-2A workers from UI taxation. It is crucial that Oregon follows this sensible path, recognizing that employers should not be taxed for services that do not provide any benefit to the workers involved.

Oregon's business climate is already one of the most expensive in the nation. The added financial strain of paying unnecessary UI taxes on ineligible workers puts undue pressure on employers, many of whom are already managing tight margins and operational costs. SB 622 would address this issue by aligning Oregon's tax policy with federal standards, ensuring that businesses are treated fairly and not subjected to an unjust financial burden.

I urge you to support SB 622 and help create a more equitable and sustainable business environment in Oregon. Thank you for considering this vital issue.

Sincerely,
Annelisa Zander
Berger International LLC