

Testimony on SB 496
Senate Labor and Business Committee
February 2, 2021

Chair Riley and members of the committee, my name is Karen Smith, and I am the General Counsel of the Oregon Community College Association. On behalf of Oregon's 17 community colleges, I appreciate the opportunity to submit these written comments on SB 496.

We understand the impact delayed access to unemployment insurance (UI) benefits has had on some education employees during the COVID-19 pandemic. We recognize the Employment Department must review each case to determine eligibility due to the restrictions on education employees' eligibility in federal law. In the past, we have accepted narrowly crafted exemptions to ensure that community college employees who are eligible are able to access UI benefits to which they are entitled.

OCCA has concerns, however, about this change to unemployment insurance eligibility for school food services staff and employees of Federal Head Start Programs during breaks between academic terms. We appreciate the willingness of the bill's proponents to work with us to better understand the impact of this change on community colleges. We are gathering information about the potential number of employees who this might impact as it would only apply to those who are hired by colleges on a 9-month basis and who meet the other UI eligibility criteria, such as actively seeking work, to qualify for unemployment insurance benefits. While many community colleges contract out food services, there may be some institutions with impacted employees. We also have questions about whether federal law will allow the change in benefits eligibility and appreciate the inclusion of a savings clause in the bill if the U.S. Department of Labor responds that such a change is not permissible without risking Oregon's participation in the federal UI program.

Finally, we would like to note that most community colleges are reimbursing employers for purposes of unemployment insurance; meaning that the cost of unemployment benefits for eligible employees is directly paid by the employing college and has a direct fiscal impact on college budgets. Any change in unemployment insurance eligibility for non-professional employees at educational institutions, including community colleges, will have a direct fiscal impact on college operations. Colleges have not budgeted for additional costs that might result if SB 496 is passed.

Thank you for your consideration of these concerns.