



A STRONG VOICE FOR OREGON'S WORKERS

To: Chair Holvey
Vice-Chairs Elmer and Sosa
Members of the House Business and Labor Committee

FR: Catie Theisen, Oregon AFL-CIO

RE: HB 2008 Family Financial Protection Act Support

March 6, 2023

The Oregon AFL-CIO represents 300,000 workers across Oregon and is a voice for all workers in the legislative process.

As the cost of living continues to rise for workers, many Oregonians also have substantially more household debt, student debt, medical debt and face an increasingly unaffordable housing market. Yet, current Oregon law only requires that debt collectors leave workers with \$254 per week in take-home pay after wage seizure. This is roughly the amount that a family of four would spend per week on a low-cost grocery bill and clearly does not take into account other regular expenses like rent and utilities, transportation costs to travel to work, and health care – let alone any unexpected costs.¹

It's no wonder then that there is a cycle of debt that far too many Oregonians can't climb out of. And this is an issue that disproportionately impacts historically and currently marginalized Oregonians – communities of color experience double the rate of debt in collections (35%) than white communities (16%).²

Our current system only perpetuates and exacerbates cycles of poverty and put in place significant barriers for Oregonians to work – a critical tool in pulling them out of debt.

HB 2008 addresses this by raising the protected wage amount from seizure to \$1,000 per week to give families a fair chance to break the cycle of debt, protects the ability to work by ensuring that a functioning car and work tools are shielded from seizure, helps protect access to housing, and fights unfair debt proceedings.

The Family Financial Protection Act of Oregon, will provide much needed safeguards for the economic well-being of Oregon's workers. We urge your support of HB 2008.

¹<https://money.usnews.com/money/personal-finance/saving-and-budgeting/articles/how-much-should-i-spend-on-groceries#:~:text=For%20a%20low%20cost%20budget,%241%2C166%20and%20%241%2C263.5%20a%20month.> (Low-cost plan. For a low-cost budget for a family of four, you can plan on spending \$234.10 a week or between \$936.40 and \$1,014 a month.)

² <https://apps.urban.org/features/debt-interactive-map/?type=overall&variable=totcoll&state=41>

