

SB 748 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 1/28

WHAT THE MEASURE DOES:

The measure permits the Director of the Employment Department (OED) to require an individual filing an initial claim for unemployment insurance benefits to submit to a drug test for the unlawful use of controlled substances, as defined under federal law, if the individual was terminated from employment by their most recent employer for the unlawful use of controlled substances, or suitable work is only available to the individual in an occupation that regularly conducts drug testing. The measure specifies that an individual making a continued claim for benefits may not be required to submit to drug testing. Directs OED to bear the cost of administering drug tests. The measure permits an individual to be disqualified from receipt of unemployment insurance benefits if the individual fails a drug test.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

According to a Congressional Research Service report written on November 4, 2019, generally the U.S. Department of Labor (DOL) requires states to determine entitlement to unemployment insurance benefits (UI) only on facts or causes related to the individual's state of unemployment. Thus, individuals may be disqualified from receiving UI benefits if they lost their previous job because of illegal drug use. However, in 2019 DOL issued a new final rule that permits prospective drug testing on UI applicants when suitable work is only available in an occupation that regularly conducts drug testing.

Oregon law currently specifies grounds and procedure for disqualifying an individual from UI benefits. An individual may currently be disqualified from UI benefits for refusing to take a drug or alcohol test as required by an employer's reasonable written policy or being under the influence of intoxicants while performing services for the employer.

Senate Bill 748 permits the Oregon Employment Department to require drug testing for an initial claim for unemployment insurance benefits under specified circumstances.