

## HB 3024 STAFF MEASURE SUMMARY

### House Committee On Labor and Workplace Standards

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**Meeting Dates:** 1/27, 2/3, 2/5, 2/17

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#### WHAT THE MEASURE DOES:

Removes requirement that individual's maximum unemployment benefit amount be reduced by eight times their weekly benefit amount, if the individual is disqualified from the receipt of unemployment benefits for cause and subsequently requalifies for unemployment benefits. Takes effect on the 91st day following adjournment sine die.

Fiscal impact: Fiscal statement issued

Revenue impact: Revenue statement Issued

#### ISSUES DISCUSSED:

- Reasons for removing eight times penalty
- Removes the penalty but does not change requirements to qualify for unemployment benefits
- Life of unemployment insurance claim
- Purpose of the penalty
- Administrative efficiencies for Oregon Employment Department (OED)
- Workload and customer service savings for OED
- Estimated number of individuals impacted
- Work search audits
- Payment of Unemployment Insurance tax
- Reasons person may be disqualified from unemployment benefits
- Impact to the Unemployment Insurance Trust Fund

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

Currently, when an individual is disqualified from the receipt of unemployment benefits for cause the individual must earn at least four times their weekly benefit amount in subsequent employment to requalify for unemployment benefits. Once the individual requalifies for unemployment benefits, current law requires that their maximum benefit amount be reduced by eight times the individual's weekly benefit amount. The reduction in unemployment benefits is required even if the individual is complying with the unemployment insurance qualifying requirements. The four times reductions means that an individual would have 18 weeks of unemployment benefits available in a 52-week period, rather than 26 weeks of unemployment benefits.

House Bill 3024 removes the requirement that an individual's maximum benefit amount be reduced by eight weeks, if the individual is disqualified from the receipt of benefits for cause and requalifies for unemployment benefits. The measure does not change the requirement that an individual must earn four times their weekly benefit in subsequent employment to requalify for unemployment insurance benefits.