

HB 2125:

Emergency Unemployment Benefits during Climate Events

Relief for workers and business during severe storms and other emergencies



• Problem

Extreme weather events are occurring more often due to climate change, and these events have a direct impact on the stability of small businesses, particularly those operating brick and mortar locations that are reliant on foot traffic, and their employees.

Many small businesses operate on slim margins and lack access to sufficient capital or ability to weather unexpected emergencies, which can present challenges to supporting and retaining their employees when extreme weather strikes and disrupts their ability to work.

2022:

In 2022, Oregon faced another challenging **wildfire season**, with several large fires affecting both rural and urban areas. Small businesses, particularly those dependent on outdoor activities and tourism, suffered from reduced foot traffic and visitor numbers. Thousands of employees of small businesses were affected. The average cost to an Oregonian family per smoke day for an exposed household is \$450, according to research by the University of Oregon.

“ For almost 50 years we have experienced extreme weather events and learned that the “hangover” from those events often lasts as long or longer than the actual event with sales severely depressed for weeks as customers struggle to get back to normal. In the Blizzard of 2008, we had to loan employees money to make rent on top of “borrowing” vacation time from the following year. House Bill 2125 could help so many small businesses like ours quickly match payroll to the drastically reduced sales of extreme weather. ”

- Mike Roach and Kim Osgood/co-owners of Paloma Clothing

“ Severe weather greatly impacts our business. Employees cannot get to or have a difficult and unsafe time coming into our store to open and operate it. Customers do not want to come to the store in extreme weather. When our store is closed, we lose sales. When we lose many days of sales, our employees don't get paid and we have trouble paying our bills. ”

- Susan Landa owner of The Fossil Cartel (35 Years in business)

“ The impact of extreme weather on small businesses isn't just to the employer but also missed wages for employees. We have taken the hit during many of these events from both lost revenue AND paying staff for weather-related closure days. This isn't sustainable, and many businesses don't have the capital to do it. This bill would be a lifesaver for businesses and their valued staff. ”

-Jeneen Doumitt of She Bop, CEO and Owner (16 years in business)

“ I worked for a Dutch Bros in Troutdale during the 2018 Gorge fire. Because we operate out of small stands with constant exposure to outdoor air, we closed due to the smoke and AQL. I lost a full week of work. When the snowstorms hit last year I was living on a large hill that made it impossible to get to the grocery store, let alone to cross the river and get to work. In both of these instances the lost wages negatively impacted my life. I dread the thought of it happening again. ”

- Raven Elizabeth Laine (Yakama Nation)

2024:

Early in 2024, Oregon experienced significant **snowstorms and icy conditions**, particularly affecting rural communities and mountainous regions. Small businesses in these areas struggled with closures and limited access for both customers and suppliers. The estimated economic impact on small businesses **due to snow and ice in 2024 was around \$48 million**, according to the Oregon Department of Emergency Management. Thousands of employees of small businesses were affected.



Portland Tribune file photo

“ We aren’t able to guarantee wages to our team of 24 when shifts are canceled because of extreme weather. Weather is one of the single largest factors in foot traffic to our brick & mortar shops, where we do 85% of our business. When there’s a heat dome or a snow storm, sales plummet. And because our net margins are only 5-10%, even a day or two of lost sales can ripple through our business for months. There is a financial pressure on us to stay open when it might be safer for our employees for us to close. This investment in ensuring our mainstreets and the people who make them run are well taken care of is welcome relief, and one that benefits all Oregonians.. ”

-Will Cervarich, co-owner of Betsy & Iya (17 years in business)

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Data obtained from the Bricks Need Mortar “**We Are Here**” annual survey reveals that 78% of brick and mortar small businesses reported losses of up to \$20K during the 2024 snow and ice storms. This is an indication that small businesses are not in a position to reimburse employees for lost wages and are at risk of losing employees and business closure.

Workers desperately need quick, easy access to unemployment insurance.

- **HB 2125 ensures this by empowering the Oregon Employment Department to waive the “waiting week” when extreme weather events occur.**

Currently, employees who apply for unemployment insurance do not receive benefits for the first week of their need. The Governor can waive the waiting week, and did so during the Covid-19 pandemic.

- **HB 2125 will allow the Director of the Employment Department to waive the waiting week when the Governor has declared a state of emergency.**

- **HB 2125 recognizes the severe toll that climate events take on small businesses and their employees.**

This bill makes the UI program work for workers who need it in some of the most dire situations Oregonians experience.