

To: Chair Taylor, Vice-Chair Bonham, and members of the Senate Committee on Labor and Business

From: Bridget Budbill, Legislative Advocate at the Oregon Law Center

Re: House Bill 3024 – Unemployment Insurance penalty changes

Date: May 15, 2025

Chair Taylor, Vice-Chair Bonham, and members of the Senate Committee on Labor and Business:

Thank you for considering [House Bill \(HB\) 3024](#), which removes a penalty related to prior disqualification from receiving unemployment insurance (UI). The Oregon Law Center (OLC) is a legal aid organization that provides free, civil legal services to low-income people all across our state. We ask that you support this bill.

What HB 3024 does:

In Oregon’s UI system, workers become disqualified from receiving UI if they are terminated, quit, or don’t take a new job without a sufficiently good reason. Workers can become “requalified” to receive UI in the future by working at a following job long enough to earn four or more times their weekly UI benefit amount from their last job.

Under current law, after a previously disqualified worker has worked long enough to earn at least four times their weekly UI benefit, requalifying them for UI, their maximum UI benefit amount is still reduced by eight times their weekly benefit because of their previous disqualification.¹ This reduces the total length of time that a worker may receive UI by about eight weeks, from a max of 26 weeks to a max of 18 weeks. HB 3024 would remove this benefit reduction penalty. Oregon workers previously disqualified from UI are still subject all UI eligibility requirements, and workers who have been terminated for cause or leave on their own account will still not be eligible for UI without working long enough to requalify.

What it does not do:

HB 3024 does not allow anyone who is unqualified to receive UI benefits to get those benefits.

Impacts to Oregon workers:

The number of people on UI who, despite doing everything required of them, still have not landed the next job after 18 weeks is very small. However, for those folks, even one or more additional weeks of UI benefits can be the difference in paying rent on time versus needing rent assistance or buying groceries versus going to the food bank. All of us have seen things become more expensive lately, and having a few more weeks of UI available to workers who are doing everything required of them to get

¹ See ORS 657.176(4).



back to work would go a long way in keeping people housed, fed, and in the best position to land the next job.

Impacts to Oregon's UI system:

UI is necessarily a complicated system. There are lots of inputs, calculations, and data to manage and maintain. We hope that removing the disqualification penalty contemplated by HB 3024 will reduce one piece of the complexity of the UI system. If the Oregon Employment Department is no longer spending staff time administering this benefit reduction penalty, we hope it will give agency staff more time to help employers and employees navigate other parts of the UI system.

Thank you very much for your time, please reach out anytime with questions, and we hope you will support passage of HB 3024.

Sincerely,

Bridget

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The Oregon Law Center's mission is to achieve justice for low-income communities in Oregon by providing a full range of the highest quality civil legal services.