



from the

OREGON HOUSE REPUBLICAN CAUCUS

For Immediate Release

Date: April 15, 2021

Contact: Andrew Fromm

Email: andrew.fromm@oregonlegislature.gov

Republicans push comprehensive fixes to Oregon's unemployment benefits system

SALEM, Ore. – A Republican-sponsored bill that was approved by the House with bipartisan support seeks to introduce a number of fixes to Oregon's unemployment benefits system.

Chief among them is allowing businesses to reset their unemployment insurance taxes owed to pre-pandemic rates.

Throughout the past year, government-mandated closures forced businesses with significantly less revenue to lay off staff in unprecedented numbers. This had unforeseen ramifications for the assessment of unemployment insurance taxes owed, leading to a dramatic rise in tax obligations at a time when business revenue was lowest.

HB 3389, backed by Republican sponsors, would allow businesses that saw this tax increase to defer some payments and even forgive a percentage of the deferred taxes. This bill also ensures that tax rates don't rise further because of impacts from the pandemic.

Representative Daniel Bonham (R-The Dalles) is a chief sponsor on the bill and was responsible for negotiating the measures outlined by the proposal.

"This pandemic-related relief is exactly why we're here right now," added Rep. Bonham. "85 percent of all Oregon businesses saw their unemployment tax rates increase in 2021. That could have a significant impact on the recovery of jobs in Oregon, and is why we needed this fix."

"Oregon's unemployment benefits system was put through tremendous strain during this past year, and that exposed serious flaws that needed to be addressed," said House Republican Leader Christine Drazan (R-Canby,) one of the bill's sponsors. "At the start of this session, we said that business relief would be a top priority so that we can recover lost jobs. Fixing the errors in our state's unemployment benefits system is one way that we can provide relief to Oregonians."

[HB 3389](#) was passed with bipartisan support on the House floor.

###