

Oregon Employment Department Advisory Council



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Senate Bill 172 (2021)

Senate Bill (SB) 172 was signed by Governor Brown on July 7, 2021, but has an operative date of June 23, 2021.

- The bill allows the Oregon Employment Department to deduct all or part of unemployment insurance benefit overpayments against future weekly benefits within five years.
- This applies to overpayments that were the claimant's fault, but not because of willful misrepresentation, and for overpayments that were not the claimant's fault.



Senate Bill 172 (2021) (cont.)

- Prior to this legislation, the Oregon Employment Department was required to recover the entirety of the overpayment.
- SB 172 gives the department the discretion to waive the overpayment entirely or partially based on equity and good conscience.





Initial Rulemaking

 The Oregon Employment Department shared draft rules with stakeholder groups and others in November 2021 to solicit feedback.

- First round of public rulemaking in March 2022.
- Second round of public rulemaking in December 2022.





December Rulemaking

 OAR 471-030-0053 was updated to be consistent with the waiver provisions within the amended ORS 657.317.

- OAR 471-030-0320 was created to address the percentage of future weekly benefits that may be offset and sets a five-year time limit on collection activities.
- OAR 471-030-0017 was created to address when remuneration is reportable to the department.



Rulemaking Feedback

- Oregon AFL-CIO and Oregon Business and Industry (OBI) provided feedback during the December public comment period in a joint letter (paraphrased):
 - Revise the definition of equity and good conscience to include other factors.
 - Establish financially eligible for a waiver if the household income is at or below 200% of the federal poverty guideline.
 - Simplify the waiver application process to only require self-attestation with a follow-up process to provide proof only where necessary.
 - Create a list of qualifying public benefits of which if any household member is receiving those benefits, presumptively the claimant would meet the criteria for a waiver.
- The Oregon Law Center provided feedback during the public comment period in March and December.



2023 Rulemaking

- Due to modernization of the Oregon Employment Department's legacy mainframe system, parts of the system are under a code change freeze.
- Many of the department's subject matter experts are working on designing the future system.
- Amend OAR 471-030-0053 and adopt OAR 471-030-0320 as promulgated in December.



2023 Rulemaking (cont.)

- Public listening sessions will be conducted in late summer / early fall.
- Feedback and proposed changes will be shared with the OED Advisory Council.
- The Oregon Employment Department takes feedback seriously.





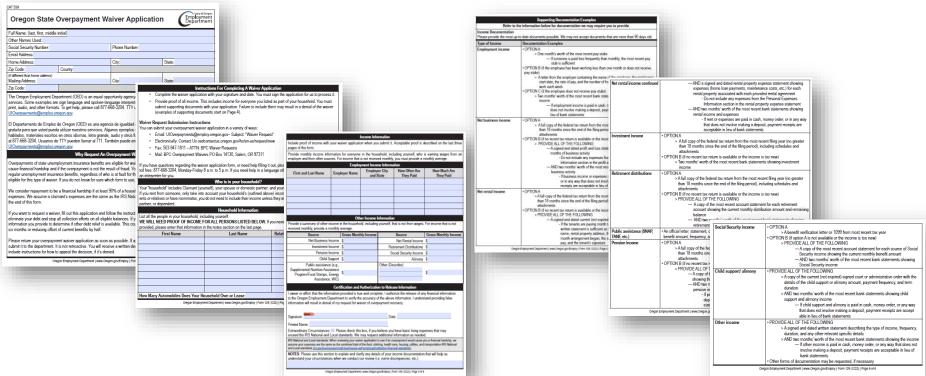
Waiver Form Update

- Worked with the Oregon Law Center to update the state overpayment waiver form to make it simpler for customers to complete.
- The internal review process changed in September; the department now assumes the federal maximum allowance for all expense categories.
- The new form is now available in multiple languages in paper and electronic formats.





Waiver Form Update (cont.)





Overpayment Waivers

- There were 28 overpayment deferrals granted in 2019, totaling over \$23K.
- In 2022:
 - 526 waivers were approved for claimant fault overpayments, totaling over \$1.5M.
 - 6,122 waivers were approved for non-claimant fault overpayments, totaling over \$28.5M.
- After implementing the new automatic maximum expenses process in September, the vast majority of state waiver requests have been approved based on income alone.
- The department will continue to monitor how the changes impact customers.





Thank You

