A-Engrossed House Bill 3483

Ordered by the House June 24 Including House Amendments dated June 24

Sponsored by Representative NOLAN

Corrected Summary

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Creates Wage Option Program. Changes name of Oregon JOBS Plus Unemployment Wage Fund to Wage Option Unemployment Wage Fund. Repeals Oregon JOBS Individual Education Account and transfers remaining available moneys to Oregon Student Assistance Commission. Funds Wage Option Program by diverting portion of unemployment insurance taxes each calendar quarter to Wage Option Unemployment Wage Fund. Limits eligibility for program.]

Prohibits denial of unemployment insurance benefits to eligible economically distressed

Prohibits denial of unemployment insurance benefits to eligible economically distressed worker on basis that worker is attending economically distressed worker training or worker refuses to accept part-time or temporary work or work that interferes with training schedule that pays less than certain percentage of minimum wage. Specifies that eligible economically distressed worker is not ineligible for benefits or waiting week credit because worker is attending economically distressed worker training. Limits total costs of benefits to specified amount. Applies to claims for benefits filed on or after November 1, 2009.

Provides that during emergency benefit period, individual may receive Oregon emergency benefits if individual meets certain criteria, including criterion that individual has exhausted regular unemployment benefits.

Authorizes Director of Employment Department to stop payments of Oregon emergency benefits if director determines that total amount of payments will exceed specified amount. Sunsets on January 2, 2012.

Declares emergency, effective on passage.

1 A BILL FOR AN ACT

- Relating to unemployment insurance; and declaring an emergency.
- 3 Be It Enacted by the People of the State of Oregon:
 - SECTION 1. For purposes of sections 2 to 7 of this 2009 Act:
 - (1)(a) "Economically distressed worker training" means:
 - (A) Training and education that provide occupation-specific skills required in highdemand occupations, as determined by the Director of the Employment Department; or
 - (B) Retraining and basic education, including literacy skills, that are designed to prepare an individual, within a reasonable period not to exceed two years, for gainful employment or self-employment that is likely to become full-time employment paying at least 110 percent of the minimum wage established under ORS 653.025.
 - (b) "Economically distressed worker training" does not include programs of instruction that are primarily intended to lead to a baccalaureate or higher degree, or training that prepares individuals for employment in occupations that require a baccalaureate or higher degree, unless approved by the director.
 - (2) "Eligible economically distressed workers" means individuals who:
 - (a) Are unemployed as described in ORS 657.100;
 - (b) Are eligible for benefits under ORS 657.150, unless otherwise disqualified under ORS

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- (c) Are not disqualified from benefits under any provision of ORS 657.176; and
- (d) Have been employed in work paying less than 110 percent of the minimum wage established under ORS 653.025 during their entire base year.
- <u>SECTION 2.</u> (1)(a) Eligible economically distressed workers enrolled or participating in economically distressed worker training may not be denied unemployment insurance benefits solely because they are attending training.
- (b) Eligible economically distressed workers approved for economically distressed worker training may not be denied unemployment insurance benefits for refusing to accept work if the work offered:
- (A) Is part-time or temporary or interferes with the eligible economically distressed worker's training schedule; and
 - (B) Pays less than 110 percent of the minimum wage established under ORS 653.025.
- (2) Notwithstanding any provision of ORS chapter 657 relating to availability for work or actively seeking work, eligible economically distressed workers who are enrolled or participating in economically distressed worker training and who are otherwise eligible for unemployment insurance benefits are not ineligible for benefits or waiting week credit because of attendance in the training.
- SECTION 3. The Director of the Employment Department, in consultation with the Department of Community Colleges and Workforce Development, shall adopt rules necessary for the administration of sections 1 and 2 of this 2009 Act, including procedures for approval, periodic review for continued approval, or disapproval of economically distressed worker training for eligible economically distressed workers. The director shall ensure that all programs for eligible economically distressed workers provide integrated and appropriate training and education.
- SECTION 4. A base year employer's account may not be charged for benefits for economically distressed worker training paid under sections 1 and 2 of this 2009 Act. However, nothing in this section may be construed to relieve the state, reimbursing political subdivisions, reimbursing nonprofit employers or reimbursing Indian tribes from paying into the Unemployment Compensation Trust Fund an amount equal to the benefits for economically distressed worker training paid under sections 1 and 2 of this 2009 Act.
- <u>SECTION 5.</u> Sections 1 and 2 of this 2009 Act apply to claims for benefits filed on or after November 1, 2009.
- <u>SECTION 6.</u> Not later than March 1, 2011, the Director of the Employment Department shall submit to the Legislative Assembly a report on the operation of economically distressed worker training through January 31, 2011.
- SECTION 7. The total costs of benefits paid pursuant to section 2 of this 2009 Act may not exceed \$9.2 million.

SECTION 8. (1) As used in this section:

- (a) "Emergency benefit period" means a period beginning October 4, 2009, and ending on January 2, 2010.
- (b) "Oregon emergency benefits" means unemployment benefits totally financed by the state and payable under ORS chapter 657 to individuals described in subsection (2) of this section during an emergency benefit period.
 - (c) "Regular benefits" has the meaning given that term in ORS 657.321.

- (2) During an emergency benefit period, an individual may receive Oregon emergency benefits in an amount equal to the weekly benefit amount of the individual's most recent regular unemployment benefit claim subject to the provisions of ORS chapter 657 if:
 - (a) The individual has exhausted regular benefits under ORS chapter 657;
- (b) The individual is not eligible for any other unemployment benefits, including benefits provided under any federal law extending benefits beyond those provided for as regular benefits;
 - (c) The individual's benefit year expired on or after May 1, 2007; and
- (d) The individual otherwise continues to meet the eligibility requirements for regular benefits under ORS chapter 657.
- (3) The maximum Oregon emergency benefits an individual may receive under this section is 50 percent of the individual's most recent regular Oregon unemployment benefit claim.
- (4) The Employment Department may not charge an employer's account for benefits paid to an unemployed individual under this section. However, nothing in this section may be construed to relieve the state, reimbursing political subdivisions, reimbursing nonprofit employers or reimbursing Indian tribes from paying into the Unemployment Compensation Trust Fund an amount equal to the Oregon emergency benefits paid to an unemployed individual under this section.
- (5) The provisions of this section apply only for weeks beginning October 4, 2009, and ending January 2, 2010.
- SECTION 9. Notwithstanding section 8 of this 2009 Act, the Director of the Employment Department may immediately stop payments of Oregon emergency benefits when the director determines that the total amount of payments made pursuant to section 8 of this 2009 Act would exceed \$30 million if paid for the succeeding calendar week.
 - SECTION 10. Sections 1 to 9 of this 2009 Act are repealed on January 2, 2012.
- <u>SECTION 11.</u> This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage.