

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass and Be Placed on the Consent Calendar
Vote:	6 - 0 - 2
Yeas:	Doherty, Esquivel, Johnson, Matthews, Kennemer, Schaufler
Nays:	0
Exc.:	Conger, Hoyle
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	4/25

WHAT THE MEASURE DOES: Allows the Employment Department to notify agents of employing units of unemployment insurance benefits claims or denials of claims. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Approximately 4,500 Oregon-based employers use the services of employer agents, also referred to as third-party administrators, to handle unemployment insurance (UI) claims. Current statute requires the Employment Department to provide direct notice to the most recent employer when an individual files for UI benefits. However, in cases where an employer uses an agent, the Department sends the notice to the employer, which then forwards the notice to the agent, which completes the form and returns it back to the Department. This two-step procedure can result in a delay of the claims process.

Senate Bill 110 specifies that the Employment Department may provide the notice of a filed claim for UI benefits with either the most recent employer or that employer's agent, with the notice then being provided to the next most recent employer or agent as provided under current law.