

# Senate Bill 242

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## 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 **as introduced**.

Expands causation requirement for offset of federal moneys against liquidated state debt to include situation in which debtor failed to report earnings, to report earnings accurately or to make contributions to Unemployment Compensation Trust Fund.

Removes provision disqualifying individual from receiving shared work benefits for any week in which individual performed work for shared work employer in excess of reduced hours set forth in approved shared work plan.

Provides that shared work employers are to be charged for shared work benefits in same manner as employers are charged for regular benefits or extended benefits. Provides that shared work employers may not be charged for shared work benefits paid with respect to which federal law permits noncharging of benefits paid and provides for funding of shared work benefits.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to unemployment insurance; creating new provisions; amending ORS 657.312, 657.385 and  
3 657.390; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 657.312 is amended to read:

6 657.312. (1) The Director of the Employment Department may enter into an intergovernmental  
7 agreement with the federal government for the purposes of:

8 (a) Offsetting against liquidated state debt moneys that the federal government owes to the  
9 debtor; and

10 (b) Sharing information as necessary to make offsets under paragraph (a) of this subsection.

11 (2) The director may request an offset against liquidated state debt under this section only if:

12 (a) The debt is legally enforceable;

13 (b) The debt is past due;

14 (c) The debt was caused by the debtor's:

15 (A) Willfully making a false statement or misrepresentation, or willfully failing to report a ma-  
16 terial fact, to obtain any benefits under this chapter;

17 (B) Failure to report earnings or to report earnings accurately; or

18 (C) Failure to make contributions to the Unemployment Compensation Trust Fund for  
19 which the state has determined the debtor to be liable and that remain uncollected;

20 (d) The debtor's appeal period for contesting the debt and the element of causation described in  
21 paragraph (c) of this subsection has expired; and

22 (e) The director has provided at least 60 days' advance written notice to the debtor that the debt  
23 will be offset pursuant to this section and that the debtor has the right to request administrative  
24 review under rules adopted by the director pursuant to subsection (5) of this section.

25 (3)(a) The director may pay a fee charged by the federal government for processing a request

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 for an offset under subsection (1) of this section.

2 (b) The net amount received from the federal government after deduction of fees charged under  
3 paragraph (a) of this subsection shall be offset against the debt.

4 (4)(a) The director may pay a fee charged by the Department of Revenue pursuant to ORS  
5 293.250 for processing a request to offset against liquidated state debt a state tax refund owed to  
6 the debtor.

7 (b) The net amount received from the Department of Revenue after deduction of fees charged  
8 under paragraph (a) of this subsection shall be offset against the debt.

9 (5) The director shall adopt rules consistent with federal requirements for debt offsets requested  
10 under this section that establish the requirements for the advance written notice provided to  
11 debtors, and the procedures pursuant to which a debtor may obtain administrative review, under this  
12 section.

13 **SECTION 2.** ORS 657.385 is amended to read:

14 657.385. (1) An individual who is eligible for shared work benefits under ORS 657.370 to 657.390  
15 shall be paid, with respect to any week of unemployment, a weekly shared work unemployment in-  
16 surance benefit amount. Such amount shall be equal to the individual's regular weekly benefit  
17 amount multiplied by the nearest full percentage of reduction of the individual's regular weekly  
18 hours of work, as set forth in the employer's plan. The benefit payment under ORS 657.370 to  
19 657.390, if not a multiple of one dollar, shall be rounded to the nearest dollar, and an even one-half  
20 dollar shall be rounded to the next higher multiple of one dollar.

21 (2) The provisions of ORS 657.150 (6) shall not apply to earnings from the shared work employer  
22 of an individual eligible for payments under ORS 657.370 to 657.390 unless the resulting payment  
23 would be less than the regular benefit payment for which the individual would otherwise be eligible  
24 under ORS 657.150 (6) without regard to shared work unemployment insurance benefits.

25 *[(3) An individual shall be disqualified for benefits payable under ORS 657.370 to 657.390 for any  
26 week in which paid work is performed for the shared work employer in excess of the reduced hours  
27 as set forth in the approved plan.]*

28 *[(4)]* **(3)** Except as otherwise provided by *[or inconsistent with]* ORS 657.370 to 657.390, all pro-  
29 visions of this chapter and *[the rules of]* **rules adopted by** the Director of the Employment Depart-  
30 ment apply to ORS 657.370 to 657.390. The director may adopt such rules as *[is deemed]* **the director**  
31 **considers** necessary to *[make distinctions and requirements to]* carry out the purposes of ORS  
32 657.370 to 657.390.

33 **SECTION 3.** ORS 657.390 is amended to read:

34 657.390. (1) *[An employer who participates in an approved shared work plan after December 31,  
35 1993, shall pay into the Unemployment Compensation Trust Fund an amount equivalent to all shared  
36 work benefits paid to employees of the employer under the plan during any rating period for which the  
37 employer's benefit ratio, expressed as a percentage rounded to the nearest 0.1 percent, is in excess of  
38 the employer's tax rate for the rating period]* **A shared work employer shall be charged for shared  
39 work benefits in the manner provided in this chapter for charging employers for regular  
40 benefits or extended benefits.**

41 (2) *[All reimbursement obligations arising under this section are in addition to and separate from  
42 any other obligation imposed under this chapter.]* **Notwithstanding subsection (1) of this section  
43 or any other provision of law to the contrary, a shared work employer may not be charged  
44 for any portion of shared work benefits paid with respect to which federal law:**

45 **(a) Permits the noncharging of benefits paid; and**

1       **(b) Provides for the funding of shared work benefits.**

2       *[(3)(a) At the end of each calendar quarter, the Director of the Employment Department shall de-*  
3 *termine the amount of reimbursement due to the fund from each employer participant in a shared work*  
4 *plan and shall bill each employer for the amount determined.]*

5       *[(b) Notwithstanding paragraph (a) of this subsection, an amount may not be billed to an employer*  
6 *during any rating period described in subsection (1) of this section in which federal law provides for*  
7 *100 percent of the funding of shared work benefits.]*

8       *[(c) The reimbursement shall be subject to the same interest, penalty and collection provisions as*  
9 *any other reimbursement of unemployment insurance contributions provided for under this chapter.]*

10       *[(4) Notwithstanding ORS 657.471 or any other provision to the contrary, no benefit charges that*  
11 *are reimbursable under this section may be included in an employer's benefit charges for any purpose*  
12 *in any rating period.]*

13       **SECTION 4. (1) The amendments to ORS 657.312 by section 1 of this 2015 Act apply to**  
14 **requests for offsets against liquidated state debt made on or after the effective date of this**  
15 **2015 Act.**

16       **(2) The amendments to ORS 657.385 by section 2 of this 2015 Act apply to weeks that**  
17 **begin on or after the effective date of this 2015 Act.**

18       **(3) The amendments to ORS 657.390 by section 3 of this 2015 Act apply to charges to**  
19 **shared work employers made on or after the effective date of this 2015 Act.**

20       **SECTION 5. This 2015 Act being necessary for the immediate preservation of the public**  
21 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
22 **on its passage.**