

Enrolled
Senate Bill 243

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CHAPTER

AN ACT

Relating to the recovery of overpaid unemployment insurance benefits; creating new provisions; amending ORS 657.315 and 657.320; and declaring an emergency.

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

SECTION 1. ORS 657.315 is amended to read:

657.315. (1) If the Director of the Employment Department decides that an individual has been paid benefits to which the individual is not entitled because of an error not due to the individual providing a false statement or misrepresentation of a material fact or not disclosing a material fact, or because an initial decision to pay benefits is subsequently reversed by a decision finding the individual is not eligible for the benefits, the individual is liable to have the amount deducted from any future benefits otherwise payable to the individual under this chapter **or the equivalent law of another state** for any week or weeks within five years following the week in which the decision establishing the erroneous payment became final.

(2) A decision of the director under this section does not authorize the recovery of the amount of any benefits paid to an individual until the decision is final and the decision specifies that the individual is liable to have the amount deducted from any future benefits otherwise payable under this chapter **or the equivalent law of another state** for any week or weeks within five years following the week in which the decision establishing the erroneous payment became final.

(3) Amounts paid to an individual in excess of the maximum benefits allowable pursuant to this chapter may be recovered in a civil action brought in the name of the director for such purpose.

SECTION 2. ORS 657.320 is amended to read:

657.320. (1)(a) If any amount paid to an individual as benefits, for which the individual has been found liable under the provisions of ORS 657.310 to repay or to have deducted from benefits payable, has neither been repaid nor deducted within a period of [*three*] **five** years following the date the decision establishing the overpayment became final, and is equal to or is less than the state maximum weekly benefit amount or determined by the Director of the Employment Department to be uncollectible, the overpayment together with the record of the overpayment and the resulting shortage, [*shall*] **may** be canceled, and the overpayment, excluding any amount chargeable to reimbursable employers, shall be permanently charged to the fund.

(b) Notwithstanding paragraph (a) of this subsection, the overpayment may not be canceled if the debt is being recovered by payments or deductions that were received within the last three months or if repayment of the overpayment is required under ORS 657.213.

(2) If an amount paid to an individual as benefits, for which the individual has been found liable under the provisions of ORS 657.315 (1) to have deducted from benefits payable, has not been waived under ORS 657.317, paid or deducted from benefits otherwise payable to the individual for any week or weeks within five years following the week in which the decision establishing the overpayment became final, the overpayment together with the record of the overpayment and the resulting shortage, shall be canceled and the overpayment, excluding any amount chargeable to reimbursable employers, shall be permanently charged to the fund.

(3) When in the judgment of the director the best interests of the Employment Department are served in an effort to settle accounts, the director may waive, reduce or compromise any part or all of the interest or penalty charged pursuant to ORS 657.310. The director may determine that the amount of interest or penalty due and unpaid is uncollectible, and write the amount off. In making the determination that interest or a penalty is uncollectible, the director shall consider, among other factors:

- (a) The administrative costs of continued collection efforts in relation to the amount due;
- (b) The accessibility of the debtor for effective collection actions; and
- (c) The debtor's financial condition and ability to pay the amount due, both current and projected.

SECTION 3. The amendments to ORS 657.320 by section 2 of this 2015 Act apply to amounts paid to individuals as benefits:

(1) For which the individual is found liable under the provisions of ORS 657.310, on or after the effective date of this 2015 Act, to repay or to have deducted from benefits payable; or

(2) For which the three-year period described in ORS 657.320 (1) has not elapsed on the effective date of this 2015 Act.

SECTION 4. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect on its passage.

Passed by Senate June 2, 2015

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House June 11, 2015

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Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2015

Approved:

.....M.,....., 2015

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2015

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Jeanne P. Atkins, Secretary of State