

House Bill 2609

Sponsored by Representative GOMBERG (Presession filed.)

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**.

Provides that individual receiving erroneous payment of unemployment insurance benefits through no fault of individual is liable for repayment of benefits in addition to being liable to having amount of erroneous payment deducted from future benefits.

A BILL FOR AN ACT

1
2 Relating to the recovery of unemployment insurance benefits; creating new provisions; and amending
3 ORS 657.315 and 657.320.

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

5 **SECTION 1.** ORS 657.315 is amended to read:

6 657.315. (1) If the Director of the Employment Department decides that an individual has been
7 paid benefits to which the individual is not entitled because of an error not due to the individual
8 providing a false statement or misrepresentation of a material fact or not disclosing a material fact,
9 or because an initial decision to pay benefits is subsequently reversed by a decision finding the in-
10 dividual is not eligible for the benefits, the individual is liable:

11 **(a) To repay the amount of the benefits to the director for the Unemployment Compens-**
12 **sation Trust Fund; or**

13 **(b) To have the amount deducted from any future benefits otherwise payable to the individual**
14 **under this chapter, or the equivalent law of another state, for any week or weeks within five years**
15 **following the week in which the decision establishing the erroneous payment became final.**

16 (2) A decision of the director under this section does not authorize the recovery of the amount
17 of any benefits paid to an individual until the decision is final and the decision specifies that the
18 individual is liable [*to have the amount deducted from any future benefits otherwise payable under this*
19 *chapter or the equivalent law of another state for any week or weeks within five years following the*
20 *week in which the decision establishing the erroneous payment became final*] **in the manner set forth**
21 **in subsection (1) of this section.**

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

24 **SECTION 2.** ORS 657.320 is amended to read:

25 657.320. (1)(a) If any amount paid to an individual as benefits, for which the individual has been
26 found liable under the provisions of ORS 657.310 to repay or to have deducted from benefits payable,
27 has neither been repaid nor deducted within a period of five years following the date the decision
28 establishing the overpayment became final, and is equal to or is less than the state maximum weekly
29 benefit amount or determined by the Director of the Employment Department to be uncollectible,
30 the overpayment together with the record of the overpayment and the resulting shortage, may be
31 canceled, and the overpayment, excluding any amount chargeable to reimbursable employers, shall

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 be permanently charged to the fund.

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

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

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

18 (a) The administrative costs of continued collection efforts in relation to the amount due;

19 (b) The accessibility of the debtor for effective collection actions; and

20 (c) The debtor's financial condition and ability to pay the amount due, both current and
21 projected.

22 **SECTION 3. The amendments to ORS 657.315 by section 1 of this 2021 Act apply to erro-**
23 **neous payments of unemployment insurance benefits made on or after the effective date of**
24 **this 2021 Act.**