# Memorandum

PREPARED FOR: Oregon State Senate

DATE: May 9, 2023 BY: Leslie Porter, Analyst

RE: Legislative Review of Executive Appointments



### **DIRECTOR OF THE EMPLOYMENT DEPARTMENT**

The Governor has appointed the following individual to serve as the Director of the Employment Department subject to Senate confirmation.<sup>1</sup>

### **Appointee**

David Gerstenfeld of St. Paul

#### Term

May 22, 2023 – May 21, 2027; serves at the pleasure of the Governor.

## **Appointment/Confirmation Authority**

ORS 657.608 (2021)

#### Statement of Economic Interest<sup>2</sup>

Not required.

### **Statutory Requirements**<sup>3</sup>

The director is appointed by the Governor and subject to confirmation by the Senate.<sup>4</sup> The director serves a four-year term and at the pleasure of the Governor.

# **Duties and Authority**

The Employment Department administers the state unemployment insurance benefit program, matches job seekers to opportunities, and provides workforce and economic information.

The director exercises supervision and control over the department, provides for programs to deliver to the public services assigned to the department, and undertakes long-range planning necessary for the effective delivery of those services.<sup>5</sup>

#### The director must:6

adopt rules for the administration of statutes assigned to the department;

<sup>&</sup>lt;sup>1</sup> Or. Const. art. III sect. 4, ORS 171.562 (2021), ORS 171.565 (2021).

<sup>&</sup>lt;sup>2</sup> ORS 244.050 (2021).

<sup>&</sup>lt;sup>3</sup> ORS 182.100 (2021) for affirmative action policy and ORS 236.115 (2021) for diversity criteria.

<sup>4</sup> ORS 657,608 (2021).

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> ORS 657.100 to 657.734 (2021).

- for each calendar year, determine the unemployment insurance tax rates applicable to each employer;
- assert liens for the collection of taxes;
- print and provide to any person upon request the classification, rates, rules, regulations, and rules of procedure;
- publish information concerning the rights of employees under this chapter and such other information concerning this chapter and the regulations pursuant thereto as the director considers suitable and proper, and require every employer to post such publications at the place of employment of the employer;
- oversee, operate, and manage a statewide comprehensive workforce and labor market information system;
- support state and local workforce boards by providing foundational workforce data and special studies in support of state and local employment, training, education, and job creation programs, especially activities that prevent job loss, reduce unemployment, and create jobs;
- support other Oregon customers of workforce and labor market information, including, but not limited to, businesses, job seekers, policy makers, educational agencies, and students, and provide foundational workforce data and analysis of trends at the state and local levels;
- coordinate with state workforce agencies and other federal, state and local government partners to improve workforce and labor market information products and services;
- produce workforce and labor market information and economic analysis needed to facilitate the efficient and effective matching of the supply and demand of labor critical to an effective labor exchange in Oregon;
- administer other appropriate workforce and labor market information activities including support of efforts by local workforce development boards to align economic development, education, and training with workforce development investments and services for job seekers and businesses to efficiently address local labor market needs and statewide workforce development priorities; and
- administer and, in consultation with the Education and Workforce Policy Advisor, oversee the development of the Performance Reporting Information System.

### The director may:7

 for purposes of administration and control, and with the approval of the Governor, organize and reorganize the department in whatever manner the director

<sup>&</sup>lt;sup>7</sup> ORS 657.282 to 657.780 (2021).



LEGISLATIVE POLICY AND RESEARCH OFFICE

- considers appropriate to carry out the duties, functions, and powers of the department;
- appoint all subordinate officers and employees of the department, and prescribe their duties and compensation;
- delegate to departmental officers and employees such responsibility and authority as the director determines necessary;
- determine all questions of general policy for, adopt rules for, and administer and enforce the statutes administered by the director;
- sue and be sued in the name of the director;
- adopt proper rules to regulate the mode and manner of all investigations;
- prescribe the time, place, and manner of making claims for benefits administered by the department, the kind and character of notices required thereunder, and the procedure for investigating and deciding claims;
- enter into contracts relating to the federal Workforce Innovation and Opportunity Act deemed necessary by the director to fulfill the mission of the department;
- carry on investigations of the operation of unemployment insurance in Oregon, including related subjects and publish the results thereof;
- investigate the operations of the fund, the relation of contribution rates to the risks of unemployment, the adequacy of contribution rates;
- recommend to the legislature from time to time any advisable changes in the contribution rates or benefits and any other changes in the state laws relating to unemployment insurance;
- from time to time, after investigation, reasonable public notice, and a public hearing at which any interested party is afforded an opportunity to be heard, determine or redetermine what amount of reserve reasonably is needed in the fund to assure the payment of benefits;
- in the event of general and extended unemployment, such that the reserve of the fund is reduced below the amount of reserve so determined, declare an emergency and announce a modified scale of benefits, an increased waiting period or other changes in the rules and regulations regarding eligibility for a receipt of benefits which the director considers necessary to maintain the reserves of the fund;
- publish from time to time any special reports of the results of any investigation which the director may have conducted;
- hold sessions at any place within the state, administer oaths, issue and serve subpoenas for attendance of witnesses and the production of papers, contracts, books, documents, and testimony, and generally provide for the taking of testimony and for the recording of proceedings;
- file petition for judicial review of specified decisions;



- enter into an intergovernmental agreement with the appropriate agencies of this or other states or the federal government for specified purposes;
- appoint committees, and industrial or other special councils, to perform appropriate services in connection with the development of unemployment insurance and employment service programs;
- divide the state into such number of employment districts as the director finds necessary and maintain a district office in each district; and
- act as agent of the federal government, in the payment of subsistence or other cash allowances provided in programs adopted by the federal government, including training and retraining programs or other assistance to individuals in this state.

