



Members:

Clif Davis, Chair
*Int'l Brotherhood
of Electrical Workers*
Labor

Robin Bitrick
*Confederated Tribes of
the Umatilla*
Management

Barbara Byrd
Oregon AFL-CIO
Labor

Bill Kluting
*Carpenters Industrial
Council Legislative
Affairs*
Labor

Mary J. Taylor
Public

Vacant
Management

Vacant
Management

Meeting Minutes
Friday, November 16, 2012
1:30pm to 3:30pm

The meeting was called to order at 1:30pm by Clif Davis, Chair. Chair Clif welcomed all.

Present*

Robin Bitrick
Barbara Byrd
Clif Davis
Mary Taylor

Staff to Council:

Melissa Leoni

Excused:

Bill Kluting

*Quorum Requirement Met

Others Present:

Laurie Warner, OED Director
David Gerstenfeld, UI Administrator
George Ostertag, Financial Analyst

Approval of Minutes

A motion was made by Robin Bitrick to approve the minutes from the July 31, 2012 meeting. Motion seconded by Mary Taylor. No discussion. Minutes approved.

Secretary of State Audit on Boards and Commissions

Melissa Leoni reviewed the objectives and recommendations of the June audit on boards and commissions by the Secretary of State's office. She discussed how the recommendations are largely intended for the Governor's office and Department of Administrative Services, but there are actions individual boards and councils can take along the lines of improving training and reviewing bylaws.

Laurie Warner added that the audit had been discussed at the Enterprise Leadership Team where agencies have been asked to look at bylaws and meetings of boards, commissions and councils. Chair Clif suggested that the council have time on its next agenda to discuss the mission and bylaws, and that a committee look at possible revisions. Barbara Byrd, Robin Bitrick, and Mary Taylor volunteered to be on the committee.

Melissa will send out a meeting query to get the orientation meeting scheduled during the last two weeks of January.

UI Trust Fund and Tax Schedule Forecast for 2013

George Ostertag presented information on Oregon's Unemployment Insurance (UI) Trust Fund and how taxes are based on the balance in the trust fund. He discussed the current tax schedule and rate and wage base information. He also addressed other states' solvency issues and borrowing from the federal government as well as the unique self-balancing trust fund formula in Oregon law.

UI Trust Fund and Tax Schedule Forecast for 2013 (continued)

Council members discussed the status of the trust fund, role of advisory council, concerns about diversions, and how to communicate with legislators. In 2012, \$10 million was diverted for other programs. There was general agreement to wait until the council has full membership to discuss how the council would like to participate in the 2013 session.

UI Program Integrity

David Gerstenfeld distributed a handout and gave a presentation on unemployment insurance (UI) integrity, including the causes of overpayments, challenges inherent in UI, complexity added by extensions, recent national action, and Oregon measures and improvements. David explained how Oregon has already implemented several measures, including a “welcome process” for claimants explaining benefit eligibility and requirements and work search tools. He also described other recent improvements, including the State Information Data Exchange System, which allows the department to more quickly obtain information from employers about work separations and claimant eligibility. Lastly, David described some of the department’s efforts to address overpayments that are in progress, including intercepting federal tax returns to collect overpayments.

Federal Update and Emergency Unemployment Compensation Expiration

David Gerstenfeld continued his presentation with a description about the UI extensions that expire on December 29, 2012 and uncertainty about whether there will be further extensions. David also described the potential impacts from federal sequestration, which is another unknown. Finally, David gave an overview on anticipated trends in the coming years related to UI, including few people filing claims, decreasing funding levels, and a shift in service delivery models.

State Update and 2013 Legislative Session

Melissa Leoni handed out a summary of the department’s proposed legislative concepts for 2013 and briefly reviewed each concept. Melissa also distributed handouts for two other concepts on the Treasury Offset Program and late payroll penalty, which are being considered by the Senate Interim Committee on Business, Transportation and Economic Development. She also discussed a final concept related to county solvency that would give the department additional collection activities against a county for unpaid UI.

Laurie Warner talked about the agency budget process and that when the Governor’s Recommended Budget is out on November 30, we will let the council know what is in the department’s budget. The council then briefly discussed the legislative session, other possible bills, and their role. Additional conversation about likely bills, sequestration, and the council’s role will be planned for the next meeting.

Follow Up Items

1. Council bylaws committee
2. Schedule orientation meeting
3. Copy of claimant handbook

Meeting Adjournment

Meeting adjourned at 3:15pm.