

**Enrolled**  
**House Bill 3206**

Sponsored by COMMITTEE ON BUSINESS AND LABOR (at the request of Representative Paul Holvey)

CHAPTER .....

AN ACT

Relating to the use of certain Employment Department funds; amending ORS 657.400; and declaring an emergency.

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

**SECTION 1.** ORS 657.400 is amended to read:

657.400. (1) There is established in the State Treasury, separate and distinct from the General Fund, the Employment Department Special Fraud Control Fund. The Employment Department Special Fraud Control Fund shall consist of moneys collected or received by the Employment Department as follows:

(a) Interest and penalties described under ORS 657.310 (7)(b).

(b) All gifts to, interest on or profits earned by the Employment Department Special Fraud Control Fund.

(2) The moneys in the Employment Department Special Fraud Control Fund are continuously appropriated [*only*] to the Employment Department and may not be **appropriated**, transferred or otherwise made available to any other state agency.

(3) All amounts in the Employment Department Special Fraud Control Fund [*are to be used for administrative costs associated with the prevention, discovery and collection of unemployment benefit overpayments*] **shall be used for the following purposes**, as included in the biennial budget of the Employment Department and approved by the Legislative Assembly[.]:

(a) **Administrative costs associated with the prevention, discovery and collection of unemployment benefit overpayments;**

(b) **Costs associated with the Lost Wages Assistance program administered by the department pursuant to a grant agreement with the Federal Emergency Management Agency under authority established by the presidential memorandum issued on August 8, 2020, on the subject of Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019; and**

(c) **Administrative costs associated with other benefit programs administered by the department.**

(4) **If, under subsection (3)(b) of this section, the Employment Department uses any amounts for the purpose of reimbursing the Federal Emergency Management Agency for overpayments of benefits under the Lost Wages Assistance program:**

(a) **Any amounts of overpayments collected from the debtor by the department shall be deposited in the Employment Department Special Fraud Control Fund.**

(b)(A) The department may collect such overpayments under the provisions of this chapter as if the amounts were overpayments of regular benefits; or

(B) The Director of the Employment Department may waive collection of such overpayments if the director determines that it is administratively impracticable to pursue collection.

**SECTION 2.** This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.

**Passed by House April 15, 2021**

.....  
Timothy G. Sekerak, Chief Clerk of House

.....  
Tina Kotek, Speaker of House

**Passed by Senate May 28, 2021**

.....  
Peter Courtney, President of Senate

**Received by Governor:**

.....M.,....., 2021

**Approved:**

.....M.,....., 2021

.....  
Kate Brown, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2021

.....  
Shemia Fagan, Secretary of State