

Oregon Employment Department Advisory Council Quarterly Meeting (2 <sup>nd</sup> Quarter)							
Date/time:		April 19, 2024   9:00 a.m. to 12n					
Location:		Zoom platform					
Attendees:		A – Absent P – Present					
P	Catie Theisen	P	Robert Westerman	P	Gail Krumenauer		
P	Kathi Nishimoto	P	David Gerstenfeld	P	Perla Brambila Arechiga		
A	Kurtis Baker	P	Sara Cromwell	P	Jeannine Beatrice		
P	Robert Camarillo	P	Jim Pfarrer	P	Monica Reyna Dunigan		
P	Rebecca Nance	P	Erin Baxter				

## MINUTES - DRAFT

	Topic	Minutes	Presenter
1.	Welcome, self-introductions of Advisory Council members & OED staff	Vice Chair Robert Westerman called the meeting to order at 9:01 a.m. Council members and OED staff introduced themselves.	Robert Westerman
2.	January Meeting Minutes Approval	Kathy Nishimoto moved to accept minutes, Robert Camarillo second. Motion carried; minutes approved.	Robert Westerman
3.	Public Comment	No comments from the public.	Robert Westerman
4.	Director's Update	<p>There has been a lot of media attention around some of the challenges that people are facing, not receiving unemployment benefits quickly enough. Sara Cromwell will give more details.</p> <p>Our goal is to get benefits out as quickly as we can, because we know those applying are in need. We are aware that some are taking longer to process than they should. If they are not eligible, we try to let them know as soon as possible as well.</p> <p>The biggest challenge that the public is facing is getting their claims handled and getting through the phones to speak with us. We have seen this in cycles.</p> <p>Have good strategies, two core things that are long term important to us. The first is having good tools. One of the big barriers we had was our legacy (mainframe) systems we replaced when we rolled Frances out. It is a successful system and is more efficient than our old system.</p> <p>A lot of people are getting their benefits paid quickly but it doesn't minimize the importance of those who are not being paid quickly.</p> <p>The second core thing is having enough staff, over the last two years we have lost 2/3 of the Unemployment Insurance Division staff.</p>	David Gerstenfeld

HB 4035, to increase the SEDAF rate has passed and is now signed into law. It will not be effective until early June, we are not waiting for that and have started the hiring process. It will take us time to hire and train new staff before we see a net gain and increase in productivity and customer service support. This will be a permanent increase not a one-time temporary bump.

If after these steps are taken, we are not providing the customer service that the public wants, we will come back and explain the situation and what we think is needed to get there.

Congress is now making progress on the federal budget for most programs. The federal government shut down was averted. For the Unemployment Insurance (UI) program funding levels are remaining the same.

Oregon is getting outreach from the U.S. Department of Labor (USDOL), and other states, about a couple of our programs where Oregon is being recognized for having great programs. One of those programs is the Trade Act, Oregon has consistently provided those resources those in need of them. Self-Employment Assistance, UI program for entrepreneurs, is another. Other states look at Oregon as having a robust well-functioning Self Employment Assistance Program.

Recently, some folks from the Research team were invited by the World Bank to be on the panel presenting to Uruguay and Argentina about how to use labor market information. Expertise of Oregon was recognized.

Renee Royston who is our Modernization Director was hired by the Oregon Department of Administrative Services, and we are in the process of recruiting for her successor.

Questions:

What I have heard is you have to have an account to claim, how are you triaging this as folks figure out the transition?

- To file or do anything on Frances Online you do need to create an account. We encourage people to do that because you can receive information through Frances that we are emailing instead of having to wait for the post office. You can also respond online, and we get it right away. For those who can't do that they can file through the automated phone system without creating an account. We also have a paper application, which is slower. For the verification, for many people there is no waiting. The issues that we had seen was that there were some people who already had a Paid Leave account or have had data in our old system. If the information doesn't match, we do have to do some verification due to fraud attacks. We need to do due diligence that we are sending the benefits to the correct person.

The large majority have encountered that issue because their information was in the old system. We have made some improvements, such as the wording, to make the process clearer.

How many different languages are represented on Frances Online?

- The system is available in both English and Spanish and has been since we went live. Some things we will translate later, like letters. We are updating the wording and not using a computer to translate. We are trying to trans-create and are using our own staff for that who are familiar with the programs.

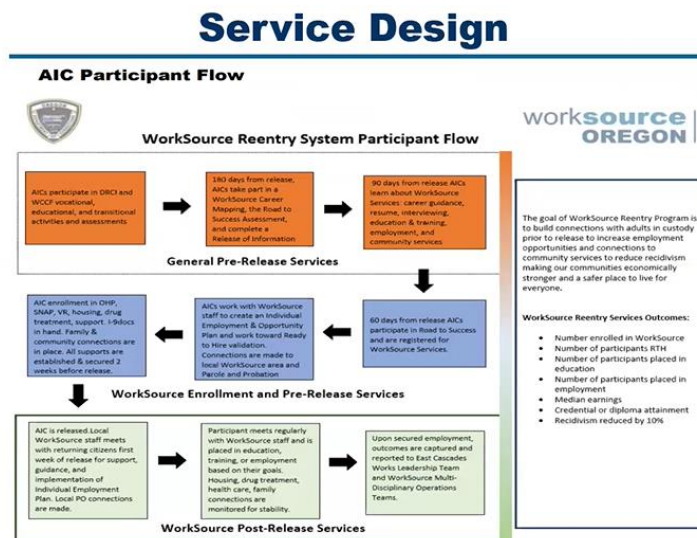
How many applicants do we have that are still having issues?

- For wait times, we are answering over 7,000 calls per week. 40% are answered within 5 minutes.
- For those who are waiting on benefits, we are working on having more solid data. The adjudication process is the longest process.

5. Working with Adults in Custody

WorkSource has a program working with adults in custody around the state, The Re-entry Program. It is a partnership with the Oregon Employment Department, The Oregon Department of Corrections, and East Cascades Works (Local Workforce Development Board). Fully implemented in the East Cascades area in September of 2022. The program operates out of Deer Ridge Correctional Institute in Madras and Warner Creek Correctional Facility in Lakeview.

Jim Pfarrer



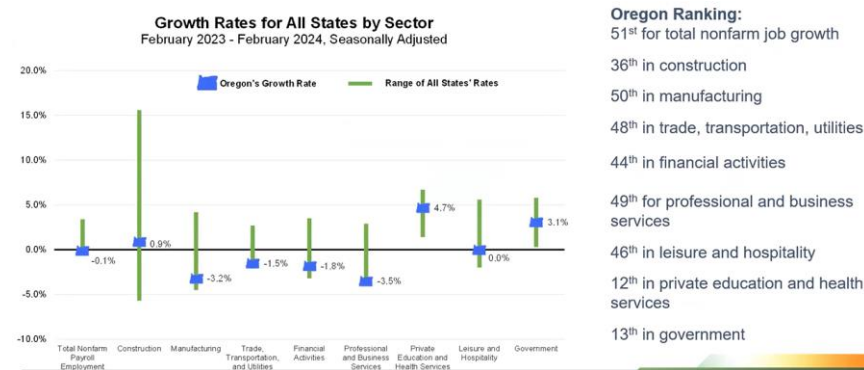
184 participants have registered with WorkSource and have created a resume and completed mock interviews. 82 participants have continued in active engagement, post release. 71% of active participants have found employment or completed a training program. In total, 66 participants have found employment.

We are looking to do similar with other facilities in Oregon.  
 Jim Pfarrer and Robert Camarillo will be connecting about this program.

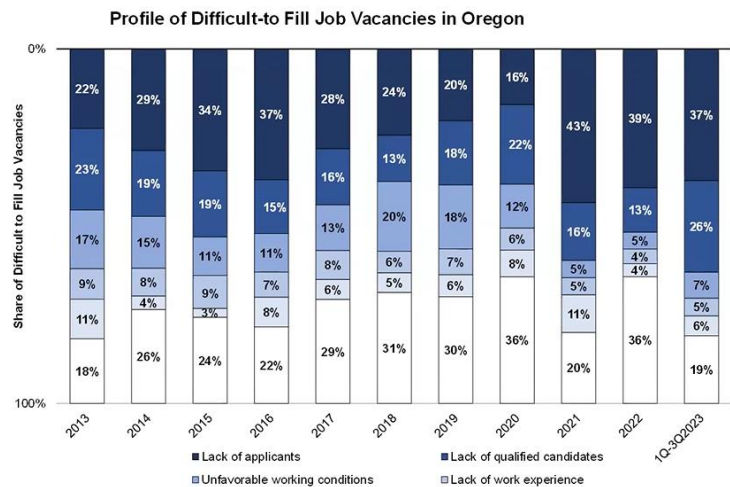
6. Economic Outlook

Oregon employers added 1,400 jobs to nonfarm payrolls in March. The unemployment rate was 4.2%. Employment declined by 1,900 jobs over the year. Months of job gains and job losses have mostly offset each other over the past year. Things have been stable over the past year. Significant differences in private health care and social assistance, increase of 5.2%. Government has added 9,600 jobs. Also, we have seen large declines in professional and business services, has lost 6,100 jobs. Information sector has lost 3,300 jobs, 9%. Manufacturers have lost 5,800 jobs, 3%.

Gail  
 Krumenauer



Oregon had 5,200 more jobs in March 2024 than Feb. 2020. The Portland metro area had 5,400 fewer jobs in Feb. 2024 than four years earlier. Portland had fully recovered its pandemic recession job losses as of mid-2023. Oregon's unemployment has remained low. It was 4.2% as of March 2024, it is rare for the unemployment rate to be lower than 4.5%. Employers still have many job openings to fill. With ongoing, relatively low unemployment, that makes it difficult for employers to fill all their job openings.



		<p>Employment Department projections show a net gain of 221,000 new jobs (10% growth) between 2022 and 2032. With replacement openings, we expect there to be nearly 2.7 million total job openings over the 10-year period.</p> <p>Some factors that can affect our trends, we have an aging workforce. About one in four jobs in Oregon is held by a worker at least 55 years old. Manufacturing is one sector with the largest number of workers ages 55+, who may be looking towards retirement in the coming decade. Oregon has typically been able to keep growing the labor force, despite the long-running trend of an aging workforce, more requirements, and lower labor force participation among teens pursuing more education or extracurricular activities instead. Labor force growth has slowed the past couple of years.</p> <p>Questions:</p> <p>On the manufacturing numbers, is there data point on causing trend on dips?</p> <ul style="list-style-type: none"> <li>- One of the things we are seeing are major layoff announcements. Durable goods and non-durable goods. We are seeing widespread declines. If someone retires and the job is not filled in 30 days, there is one less job on your payroll.</li> <li>- Do the job loss numbers also reflect when apprentices need to go apprenticeship school?</li> <li>- Reflects whether they are on a company's payroll and receive a paycheck from them.</li> </ul> <p>How do you define construction and utility jobs?</p> <ul style="list-style-type: none"> <li>- Construction: residential and nonresidential, heavy and civil, specialty trade contractors.</li> <li>- Utility: Power generation and distribution. For example, PGE and Northwest Natural.</li> </ul> <p>Oregon is lagging behind the rest of the country, but in other recessions we have led, what do you attribute that to?</p> <ul style="list-style-type: none"> <li>- Actively exploring. Seeing a fall off on the aging workforce. We are not filling in for the retiring workforce.</li> </ul>	
7.	UI Program Update	Wrapping up our seventh week of using Frances Online for unemployment insurance benefits. Since March 4, 2024, over \$91	Sara Cromwell

million dollars paid in unemployment insurance benefits to Oregonians who are eligible for assistance.

Transitioning into a new system and learning to navigate it has been easier for some than others. However, the rollout is generally tracking with what we expected to see at this point, and most claimants are successfully using Frances Online to file their new claim. Through Frances Online, customers have far greater access to claim information, improved accessibility, an action center where customers can access questionnaires and provide the information we need to process their claims, and other added functionality like being able to send secure messages through the platform, just to name a few.

More people are using Frances Online to file their claims than used the legacy systems. In our legacy systems and the first week after the launch of Frances Online only approximately 80% of customers used the online system to file their weekly claims for benefits. Last week, more than 90% of customers are successfully using Frances Online to file their claims, and over half of people – 56% - are getting their first unemployment insurance benefits check within a week.

We recognize many of our customers are having to wait too long for benefits. We are listening to customers' feedback, monitoring the system, and implementing improvements as quickly as we can.

Call volumes to our unemployment insurance contact center have remained high. We answer almost half of the calls within 5 to 15 minutes, though, meaning we are providing fast help to thousands of callers every week [we answer 7-9K calls per week, so 3,500-4,500 calls are answered in under 15 minutes].

We recognize that it can be frustrating, though, when it takes us longer to answer calls, and we are working to address customer needs as quickly as we can. To provide immediate, no-waiting assistance for customers, we have created an extensive library of Frances Online resources, which are available at [unemployment.oregon.gov/frances](https://unemployment.oregon.gov/frances). We developed these materials in direct response to customers' feedback about the challenges they have had navigating Frances Online. Resources include an FAQ document to address specific challenges and narrated how-to videos to walk through some of the most common processes in the system. If folks are unable to find the answers to questions there, we also have an automated chat bot as well as live chat.

We know that it is frustrating when customers need to file initial and weekly claims and can't reach us. We have implemented a new dedicated phone queue for claimants to select when filing an initial claim, that is answered more quickly than general information queues.

	<p>We also have a dedicated phone line customers can use in five languages to file their weekly claims for benefits without waiting on hold. [That number is 800-982-8920, it is available in English, Spanish, Russian, Vietnamese, and Cantonese.]</p> <p>Overall, we are pleased with the progress we've seen since Frances Online was launched and we are actively making ongoing adjustments to our systems and how-to resources to better support customers as promptly as we can.</p> <p>Frances Online is working, but the Unemployment Insurance program is still complex. Every person's experience is going to be different because every circumstance is different, and each claim must be considered individually. We want to emphasize that early indicators suggest the system is working for most people – we recognize that it is not working for all people, though, and we are doing our best to make it work for everyone.</p>	
<p>Frances UI Claims Overview</p>	<p>Frances registration process: Erin walked through the process of registration and receiving a letter.</p> <p>Erin shared questionnaires that claimants are provided.</p> <p>Robert and Bob want to give suggestions on changing the wording for being out of labor market. To meet with Sara Cromwell.</p>	<p>Erin Baxter</p>
<p>Legislative Update</p>	<p>Short session was busy. More pieces of legislation that touched us than usual during a short session.</p> <p>The increase of SEDAF diversion did happen and was signed into law on the April 4.</p> <p>Effective date is not until June 6.</p> <p>SB1514</p> <p>Paid Leave trust fund was signed into law on March 20 and was effective the day it was signed.</p> <p>Paid Leave policy changes to align the Paid Family Leave Act with Paid Leave. Have been charged to work with our Bureau of Labor and Industries (BOLI) counterparts. This is operative on July 1.</p> <p>A bill was introduced on debt collection exemption was signed into law March 4.</p>	<p>Rebecca Nance</p>

		<p>A couple of measures that did not make it through the session.</p> <ol style="list-style-type: none"> <li>1. A measure about Professional Employer Organizations and how client reporting is done in Oregon did not pass. Representative Holvey sent a letter to the Governor requesting that agencies figure out a way to move forward.</li> <li>2. HB 4038, a bill to make changes to HB 2289 (2019), during the pandemic HB 2289 was a fix to help a majority of Oregon employers not have employer tax rate increase. Didn't use experience ratings used prior to the pandemic. Far fewer employers were negatively impacted. This bill would have changed this. This bill may be resurrected in 2025 session.</li> </ol> <p>Overall, it was successful session for the department.</p>	
Adjourn	11:10 a.m.		Robert Westerman

### ACTION ITEMS

Action	Assigned	Date Due	Completed

### FUTURE MEETING TOPICS

Action	Assigned	Date Due	Completed

Minutes submitted by Perla Brambila Arechiga 4.24.24