

RESOLUTION NO. 2567

Introduced by Commissioner Baldwin and Mayor Balensifer

A RESOLUTION EXPRESSING THE CITY'S SIGNIFICANT DISPLEASURE WITH THE
STATE OF OREGON UNEMPLOYMENT SYSTEM AND DEMANDING IMMEDIATE
ACTION TO IMPROVE

WHEREAS, the State of Oregon processes unemployment claims through a computer system developed during the Reagan Administration, with some components dating as far back as 1985; and

WHEREAS, the State of Oregon has known for years that these systems were grossly inefficient and inadequate to process claims in a crisis, describing the computer programs as “inflexible, poorly documented, and difficult to maintain...”; and

WHEREAS, the State of Oregon received \$86.6 million in federal Department of Labor funds to modernize these systems in 2009; and

WHEREAS, the State of Oregon had not spent more than \$81.7 million of those funds per a report to the Oregon legislature dated January 17, 2020 by Kay Erickson, Director of OR Employment Dept.; and

WHEREAS, the State of Oregon did not begin serious work to modernize the system until 2016—7 years after funding was approved, and had planned to complete its Unemployment Insurance (UI) Modernization Project on or by 2025—a total of 16 years; and

WHEREAS, the Oregonian newspaper reported in an article titled “Oregon’s antiquated computers could cost laid off worker 100 million in benefits” on April 15, 2020 of multiple audits dating as early as 2003 and as recent as 2015 warning that the unemployment processing system “may be difficult to execute in the event of an economic downturn” and that the technology “is not flexible enough to efficiently handle additional requirements such as those that occurred during the latest economic downturn.”

WHEREAS, because the computer systems are so inflexible, many claims must be manually dealt with, as a result the State of Oregon has hired many more call center workers to process unemployment claims; and

WHEREAS, the computer systems routinely deny claims it should approve and produces errors affecting thousands of workers including those who had originally approved claims; and

WHEREAS, the unemployment claims office hours of operation were limited to business hours until the week of April 20, 2020, which communicated a lack of urgency and resulted in jammed phone lines hindering the office's ability to quickly and effectively meet the needs of hundreds of thousands of Oregonians attempting to claim benefits; and

WHEREAS, the federal government eliminated the one-week waiting period for workers to receive unemployment benefits, as well as enabled previously ineligible persons to receive \$600 in federal unemployment benefits such as self-employed workers, contractors and gig workers; and

WHEREAS, the state employment office originally stated they would not waive the one week waiting period for unemployment eligibility until most of the Oregon Congressional delegation urged Governor Brown April 14, 2020 to lift the wait period and make it retroactive and;

WHEREAS, the Brown Administration has stated they will begin processing claims for self-employed workers, contract workers, and gig workers by the end of April; and

WHEREAS, the state employment department erroneously instructed 20,000 workers to restart their unemployment applications the week of April 20, 2020 after the department previously stated the issue was fixed after an initial error during Easter.

WHEREAS, the Employment Department accidentally double-paid the \$600 federal unemployment bonus to more than 10,000 Oregonians the week of April 12, 2020, and withheld such checks the following week to those individuals with no explanation to claimants as to the error or discrepancy in their unemployment benefits creating confusion and anxiety; and

WHEREAS, the Oregonian reported on April 23, 2020 that some beneficiaries had their federal \$600 bonuses withheld despite not having been previously double-paid; and

WHEREAS, the Employment Department and Governor Brown have issued dissimilar statements about the prioritization of work to ensure workers both qualify and receive federal and state unemployment benefits creating confusion among unemployed citizens; and

WHEREAS, many coastal workers who applied for unemployment benefits at the onset of this pandemic as far as 5 weeks ago have still not received any benefits as of April 20,2020, nor any communication as to their status. Others have only received denials of benefits in error; and

WHEREAS, the State of Oregon's vague and contradictory messaging, and technological ineptitude has resulted in the confusion, disappointment, and severe anguish of many of its citizens which has inflicted significant damage to the morale and mental health of many.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Warrenton that it has heard its constituents; and

BE IT FURTHER RESOLVED that the City Commission register its extreme displeasure and disappointment with the State of Oregon's lack of preparedness, response and communication regarding unemployment benefits to Oregonians; and

BE IT FURTHER RESOLVED that the City Commission recognizes State actions thus far to meet the crisis such as expanded staffing and call center hours, one-week eligibility waiver, and demands the State of Oregon take the following additional actions to alleviate the emergency at hand:

1. Communicate to denied workers a clear message of estimated timeframes and eligibility for benefits.
2. Press forward with an accelerated modernization program to prepare the state for another disaster.
 - a. It is recognized the computer systems cannot be modernized instantly, but emergency-like haste should be made to modernize the systems.

Adopted by the City Commission of the City of Warrenton this 28th day of April 2020.

This resolution shall take effect immediately upon its passage.

APPROVED

Henry A. Balensifer III, Mayor

ATTEST

Dawne Shaw, CMC, City Recorder