
EMPLOYERS HANDBOOK

Working In Oregon

The Employment Department is an equal opportunity program and as such does not discriminate in the provision of its services on the basis of race, color, religion, sex, national origin, age, disability, political affiliation or belief, citizenship or marital status. Auxiliary aids and services are available upon request to individuals with disabilities. Contact your nearest Employment Department office for assistance.

El Departamento de Empleo (Employment Department) es un programa que respeta la igualdad de oportunidades y provee empleo y servicios al público sin discriminar en base a raza, color, religión, sexo, nacionalidad, edad, discapacidad, filiación o creencia política, ciudadanía ni estado civil. Hay asistencia y servicios auxiliares disponibles a pedido para minusválidos o personas con conocimiento limitado del idioma inglés. Comuníquese con la oficina del Departamento de Empleo más cercana a su domicilio para solicitar asistencia.



The mission of
The Oregon Employment Department is to
Support Business and Promote Employment

How we accomplish that mission:

- Support economic stability for Oregonians and communities during times of unemployment through the payment of unemployment benefits.
- Serve businesses by recruiting and referring the best qualified applicants to jobs, and provide resources to diverse job seekers in support of their employment needs.
- Develop and distribute quality workforce and economic information to promote informed decision making.
- Provide access to child care that is safe, high quality, and affordable.



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Preface

This handbook helps you find solutions to your work force needs by providing non-technical information about Employment Department programs. This handbook also provides Internet addresses and answers to common questions about the Employment Department.

Hiring the most qualified employee in the shortest amount of time is imperative to sustaining a profitable business. Our placement services help you find qualified employees by providing you with recruitment services at no fee. We use a number of recruiting options including local, statewide, national, and international exposure. Some of those options include:

- Listing your job openings on the department's Internet site (www.WorkingInOregon.org)
- Listing your openings nationwide on America's JobBank (www.ajb.org)
- Allowing applicants access to your job openings by touch-screen kiosks, available after normal business hours

All of the above services reduce your recruitment costs and save you valuable time and money. During times of economic slowdown, unemployment insurance helps employers and workers by:

- Offsetting the lost purchasing power that layoffs can cause in a community;
- Replacing some of the wage income of workers and keeping them in the area; and
- Softening the impact of sharp drops in consumer spending.

EMPLOYMENT SERVICES

Pre-paid Recruitment Services

Reduce your personnel recruitment costs and get wide exposure for your job listings by using our employment service. We can be like an extension of your own business as our staff assist in matching your job skill requirements to applicants' skills. It's easy to list job openings; you can post them online, FAX them to Employment Department offices, or phone the nearest office for assistance. Call, click or come in.

Businesses receive:

- Assistance in matching your job skill requirements to qualified applicants
- Several recruiting options; you choose how applicants make contact
- Local, statewide, national, or international exposure
- Internet exposure on our Web site
- Access to Oregon's largest single source of applicants, including veterans
- Fast answers to your questions about services and employment issues
- Pre-paid Services

Join thousands of other Oregon businesses that reduce their costs and save time by listing with the Oregon Employment Department. Visit us online at www.WorkingInOregon.org or we are listed in the government pages of your local telephone directory.

JOBS Plus Program

The JOBS Plus program provides incentives for employers to hire job seekers receiving unemployment insurance into on-the-job training opportunities in private and public-sector jobs. JOBS Plus benefits you by saving money and allowing you to make your own business decisions. You define the job, interview and select the JOBS Plus worker, and train the worker to do the job in the manner that you want.

Employer Involvement In JOBS Plus

What benefits will you obtain from the JOBS Plus program?

- Wage reimbursement paid at \$5.00 an hour.
- The opportunity to train and evaluate potential employees for up to 13 weeks before hiring them into permanent positions.
- Increased skill level and experience of the Oregon work force, expanding the available labor pool.

What are you, the employer, required to provide?

- Prevailing wages common to the occupation and the labor market with adjustments made for experience and training.
- Contribute \$1.00 per hour worked to an Individual Education Account for the employee (after the employee has been on the job for 30 days.)
- Provide the employee up to five hours of paid leave per week to look for work (after nine weeks on the job.)
- Provide on-the-job training to the degree necessary for the employee to perform the assigned duties.

- Provide a mentor from among regular employees to assist the employee in becoming oriented to the workplace.
- Sign an agreement to abide by all requirements of the program.

How do you participate?

- All Oregon employers can participate in the JOBS Plus program.
- Contact the nearest Employment Department field office or Department of Human Services Self-Sufficiency.
- A JOBS Plus representative will take the request and initiate the process.

Find more information about JOBS Plus on the Internet at: www.WorkingInOregon.org/emprsvcs/jobsplus.cfm; or contact your local field office.

Oregon Employer Council

The Oregon Employer Council (OEC) is a partnership between Oregon businesses and the Oregon Employment Department. Employers volunteer to offer feedback to the Employment Department regarding our service delivery. The OEC advises the agency and offers input about service delivery, labor market information, labor force needs, and other topics relevant to employers. This alliance results in improved services to Oregonians. At the same time, this allows you to provide direction on the services that your FUTA (Federal Unemployment Tax Act) taxes fund.

Local employer councils throughout the state offer high-quality, low-cost business seminars on a regular basis. The seminars address topics such as legal issues in the workplace, employee handbook writing, drug and alcohol policies, conflict resolution, time

management, and the unemployment insurance process. A free lending library is available online to all businesses.

There are 21 active councils in Oregon representing more than 1,000 businesses. Employers come from large and small companies and represent every industry. OEC is a public/private collaboration designed to improve customer service and encourage fiscal responsibility. For more information, contact the OEC coordinator at your local Employment Department office. Find additional information under Employer Services on our Web page, www.WorkingInOregon.org/oec.

Work Opportunity Tax Credit (WOTC) & Welfare to Work

The purpose of these programs is to encourage you to hire certain target-group members by offering a federal tax credit.

The maximum credit is \$2,400 for WOTC. This is based on 40% of the first year's wages up to \$6,000 for each certified target group member hired. To obtain the 40% rate, your new hire must work a minimum of 400 hours. If your employee works at least 120 but less than 400 hours, the tax credit is 25% of the wages paid up to a maximum of \$6,000. The same percentage rates and hours worked apply to eligible summer youth. However, the qualified wages must be paid in a 90-day period between May 1 and September 15 and are limited to the first \$3,000 of wages. For more information, visit www.WorkingInOregon.org/emprsvcs/wtw.cfm.

You can receive a Welfare-to-Work Tax Credit of 35% in the first year, and 50% during the second year for the first \$10,000 of qualified wages paid to eligible new employees who worked at least 400 hours or 180 days during each of those years. The maximum tax credit is \$8,500 for each eligible person hired. For more information, visit www.WorkingInOregon.org/emprsvcs/wtw.cfm.

What are the target groups?

1. Qualified ex-felons
2. Temporary Assistance for Needy Families (TANF) recipients
3. Food stamp (FS) recipients 18 to 24 years of age
4. High-risk youth 18 to 24 years of age (Josephine and Multnomah counties)
5. Summer-youth employees 16 to 18 years of age (Josephine and Multnomah counties)
6. Veterans (recent TANF/Food Stamp recipients)
7. Vocational Rehabilitation referrals
8. Supplemental Social Security income recipients

How can you participate?

Prior to being offered a job, the applicant completes an IRS Form 8850. If you believe that the applicant is eligible under one of the target groups, you complete the form and send to the Oregon Employment Department within 21 days of the applicant starting work. If the new employee is eligible, a certification will be issued to you. Contact the Oregon Employment Department at 1-800-237-3710 ext. 7-1672 or your nearest Employment Department office to obtain copies of the IRS Form 8850. You can also download the form from www.ins.gov/pub/irs-pdf/f8850.pdf.

Alien Employment Certification Program

Employers who cannot find sufficient able, willing, and qualified U.S. workers to fill their labor needs can contact the Oregon Employment Department Labor Certification Unit for assistance. This program is operated in conjunction with the U.S. Department of Labor to certify workers for temporary and permanent labor needs. The process assures that adequate recruitment has been done to find qualified U.S. workers and that the hiring

of foreign-national workers will not adversely affect wages and working conditions of U.S. workers. Please visit our Web page at www.workinginoregon.org/aliencert for program details and forms. For staff assistance call 1-800-237-3710 and ask for the Alien Labor Certification Unit.

Training

We work with training providers to provide workers with the skills you need. If you need help getting trained workers for your jobs, we can coordinate with training providers to find qualified workers.

Veteran Services

Your business may be eligible for Veteran's Administration Vocational Rehabilitation approved on-the-job-training or apprenticeship programs. The on-the-job-training program reimburses you for wages paid to qualified veterans who are in training. We also offer recruiting assistance to federal contractors to meet veteran-related affirmative-action plans. For more information, visit www.WorkingInOregon.org/emprsvcs/veterans.cfm.

Work Share Program

The Work Share program offers an alternative to laying off employees. Under the program, instead of being laid off, employees work reduced hours and receive reduced unemployment insurance benefits. You may request to participate if you reduce your work week up to 40%. Work Share can affect your tax rates. For more information on the program, call 1-800-237-3710 ext. 7-1646, or in Salem, (503) 947-1646.

TAX INFORMATION

Financing the Unemployment Insurance Program

The money used to pay Oregon unemployment insurance benefits comes from Oregon employers.

- Private, for-profit employers (tax-paying employers) pay a quarterly tax directly to the state of Oregon.
- State and federal agencies must pay back (reimburse) the state for any benefits paid to their former employees.
- Local governments, Indian tribes, and non-profit employers exempt under Internal Revenue Code section 501(c)(3) may choose to either pay the tax or reimburse the state for benefits paid.

Employers pay unemployment insurance tax to the Employment Department and it is deposited in a trust fund. The tax is used only to pay unemployment insurance benefits to unemployed Oregon workers.

The money to administer the unemployment insurance program comes from a federal tax, created by the Federal Unemployment Tax Act (FUTA). The federal unemployment tax is assessed on all for-profit employers and is paid to the Internal Revenue Service.

For more information concerning FUTA, see page 20.

Employing Units and Subject Employers

An employing unit is any individual or organization that has or had one or more individuals performing services for it.

A subject employer is an employing unit required to provide unemployment insurance coverage for its workers.

Subject employers are those employing units that:

- Are other than agricultural or domestic employers that:
 - Pay \$225 or more to employees in a calendar quarter, or
 - Have one or more employees in each of 18 weeks during a calendar year.
- Are employers that employ agricultural workers and:
 - Pay \$20,000 or more cash wages in a calendar quarter, or
 - Have 10 or more employees on 20 days, each day being in a separate calendar week during a calendar year.
- Are employers that employ domestic workers in a private home, local college club or local chapter of a fraternity or sorority and pay \$1,000 or more in cash wages in a calendar quarter.

Not everyone who meets the above criteria is a subject employer; certain exemptions exist. Please contact the Employment Department if you have any questions regarding your status. Call (503) 947-1488 option 5, or e-mail questions to taxinfo@emp.state.or.us.

Subject employer responsibilities

Employers are responsible for:

- Registering with the Employment Department by completing and sending a Combined Employer's Registration Report (Form 150-211-055) to the Oregon Department of Revenue. This form is available at any Employment Department Tax office, any office of the Oregon Department of

Revenue or on the Internet at www.dor.state.or.us (click on tax forms).

- Posting the notice concerning unemployment insurance (Form 11) where employees can read it. The Employment Department mails this form (free of charge) to employers that are subject to Employment Department Law. This notice is available in English and Spanish.
- Keeping adequate payroll records. These records include Social Security numbers, and proof of U.S. citizenship or authorization to work in the United States for all employees and records of when and how much each employee has been paid.
- Paying taxes or reimbursements when due.
- Filing quarterly reports on time.
- Informing the Employment Department of any changes in organization or status using the Change in Status form found in the back of Oregon Combined Tax Report packet and on the Internet at www.dor.state.or.us (click on tax forms).

Employees

Employment Department law defines an employee as any person, including aliens and minors, employed for any compensation under any contract of hire by an employer subject to the law. The law does not cover some types of services. For example, service performed by an independent contractor, as that term is defined by ORS 670.600, would not be covered. In addition, certain types of payments such as fringe benefits are not covered. Members of limited liability companies and of limited liability partnerships are also excluded.

Closely held family corporations may elect to exclude from unemployment insurance corporate officers who are directors, stockholders, and family members, and who

have substantial ownership in the corporation. Those eligible for the exclusion must represent two or more members of the same family and who each bear one of the following relationships to one of the others: parents, daughters, sons, daughters-in-law, sons-in-law, or grandchildren. To qualify for the family corporate officer exclusion, an election must be made in writing to the Employment Department. The department will notify the employer in writing whether the election is approved or denied. If approved, the election will be effective the first day of the quarter in which the election was sent.

Taxable employee wages

The taxable wage base is the maximum amount of an employee's wages subject to tax. For 2003, the taxable wage base is \$26,000. Amounts paid above the taxable wage base are called "excess wages." Whether taxable or not, you must report all wages paid to each employee. Wages include all cash and non-cash remuneration for employment. Agricultural and domestic wages include only cash.

Filing Tax Reports

Employers must file an Oregon Quarterly Tax Report (Form OQ) each calendar quarter. Information required includes total subject wages, total excess wages, total taxable wages, tax due, and the amount of any penalty and/or interest owed. Use Form OQ to report unemployment insurance tax, state withholding tax, transit district excise taxes (Tri-Met and Lane), and workers' benefit fund assessment.

An Employee Detail Report (Form 132) is required each calendar quarter you have payroll subject to unemployment insurance tax. The report includes detail of each employee's wages by name and Social Security number, and the number of hours each worked in the quarter.

By March of each year, most employers receive an employer report packet from the Department of Revenue. You will not receive a packet if you file reports using a payroll reporting service such as ADP, Paychex or Ceridian, or if you file by email or diskette using the OTTER software program.

Exception: Domestic employers are required to file annual reports (Form OA) instead of quarterly reports. Domestic employers will receive their report forms in November of each year.

Each complete employer's report packet contains the following:

- Oregon Quarterly Tax Report (Form OQ - one for each quarter)
- Employee Detail Report (Form 132 - one for each quarter). Employers who have more than 20 employees should order additional forms.
- Oregon Schedule B (one for each quarter)
- Order Request Form
- Change In Status Report (Form 013)
- Oregon Annual Withholding Tax Reconciliation Report (Form WR)

If you have not received your report packet by March 1, call (503) 947-1488 option 3, write Employment Department, Tax Section, 875 Union Street NE, Salem OR 97311-0030, e-mail taxforms@emp.state.or.us or use our online tax form order page www.WorkingInOregon.org/tax/forms.cfm.

The Oregon Tax Coupon (Form OTC) must accompany any money you send to the state for payment of Oregon unemployment taxes. You must send an OTC when you make a tax payment even if it is filed with Form OQ.

To obtain additional OTCs call (503) 947-1488 option 3. For information about electronic funds transfer (EFT) call the Oregon Department of Revenue at (503) 947-2017.

Not receiving a report packet or Form OTC does not excuse you from filing reports in a timely manner or paying taxes when due. Contact us if you do not receive the required forms.

Other Reporting Options:

Oregon has a number of reporting options that allows any employer to file the combined quarterly payroll tax report electronically.

Email or diskette reporting – The Oregon Tax Employer Reporting (OTTER) System benefits both employers and the State by saving time and reducing mistakes. Reports are prepared, sent, and received electronically without lengthy processing time or repetitive manual inputting of data.

The free software can be added to your computer using a free self-loading CD or downloading it from the web. Once installed, the program leads you through the step-by-step process.

You can import data from your computer files into all payroll tax report forms. You can also copy existing quarters to eliminate keying the same information each time.

The system reduces workload and mistakes by performing calculations, finding mistakes, and displaying informational windows that allow you to correct the problems before the report is sent.

There is no limit on report size, regardless of the business or number of employees.

All reports are encrypted for security.

We provide personal technical support by telephone or email for your convenience.

Download the OTTER program from our web site at www.WorkingInOregon.org/tax or call 503-947-1488.

Web reporting – Use the **Secure Employer Tax Reporting On-line (SETRON) program** to file reports on our web site at www.WorkingInOregon.org./tax.

Because you use the Web to report, all reports can be filed electronically, regardless of computer brand or operating system.

SETRON leads you through the forms required to file your quarterly payroll tax report. Information is automatically pre-filled into the report as you work through the forms.

The program calculates taxes due for all tax programs.

Print paper copies for your own files then submit your finished report over the Internet.

You can start reporting through SETRON at any time, no registration or pre-approval is necessary.

Telephone reporting – You can avoid all paperwork and file a “No Payroll” report using just the phone. Dial 503-378-3981, anytime day or night, seven days a week to report. All you need is your business identification number and a touch tone phone.

The automated voice system leads you through the step-by-step process and repeats your response so errors are virtually eliminated.

You can file reports with no payroll for all state payroll tax programs.

Requirement to File Quarterly Reports

If you are an employer subject to unemployment insurance, you are required to file the Oregon Quarterly Tax Report (Form OQ) each quarter, even if you have no employees. Failing to file a report, as long as your account is not closed, could result in penalties. The Employee Detail Report (Form 132) is required for each quarter during which you had employees. A report is required until the Employment Department officially closes your account. This occurs when you send a Change in Status Report (Form 013) or the department determines you are exempt from reporting requirements.

If you become inactive and again have employees, call (503) 947-1488.

Changes in business status

You are required to notify the Employment Department and the Oregon Department of Revenue of any changes in the organization or the status of your business. Use the Change in Status Report, found in the back of the current year's Oregon Combined Payroll Tax Report packet. It can also be obtained by calling the Employment Department at (503) 947-1488 or from the Internet at www.dor.state.or.us (click on Tax Forms).

Examples of changes in organization or status requiring a change in status include:

- Sale or lease of business;
- Dissolution of a partnership;
- Formation of a new partnership;
- Dissolution of a corporation;
- Formation of a new corporation;
- Death of an owner or partner;
- Closing of a business; or

- Anything that changes the legal standing of a business.

If you acquire all or part of a business, you are required to complete a new Combined Employer's Registration (Form 150-211-055). The Employment Department will determine if you meet the conditions necessary to inherit the tax rate and experience of the previous owner. The Combined Employer's Registration is available from the Employment Department, the Department of Revenue, or the Internet at www.dor.state.or.us (click on Tax Forms). If you have purchased all or part of a business and have questions please call us at 503-947-1488.

Penalties and interest

You may be assessed a late filing penalty if you file your quarterly tax report (Form OQ or OA) or your Employee Detail Report (Form 132) after the due date. The late filing penalty for 2003 is \$5 for each employee reported, the minimum penalty is \$65 and the maximum is \$1,300. We may return reports that are not in proper format, or are missing data such as hours, Social Security numbers or wages.

If you fail to pay delinquent taxes you are in default and may be assessed a penalty equal to 10% of the total taxes owed. In addition, interest is assessed on unpaid taxes at the rate of 1.5% per month or fraction of a month.

If you are delinquent in filing quarterly reports or have failed to pay all taxes due by September 1 of any year, you may be assessed a penalty equal to 1% of the previous year's taxable payroll.

The Employment Department uses legal action to collect delinquent taxes. This includes filing liens, or in severe cases, preventing the employer from doing business. Employers that continue failing to pay unemployment tax owed may be required to post a

bond. If taxes are not paid in full by January 31, the employer may lose the ability to offset FUTA tax paid to the IRS. For more information on FUTA tax see page 20.

Tax rates

Tax rates are based on your business' experience with unemployment insurance benefit charges and taxable payroll. Your experience may include the charges and payroll of any business you took over. When you take over a business, the tax rate assigned to the former business is transferred to you.

If you are starting a new business and you become eligible for a tax rate based on experience, you must establish a payroll history by reporting payroll for a minimum of two calendar years. During these years, your account is assigned the base tax rate. The base rate is assigned by law to employers who do not have enough history to have a tax rate set by experience. It is sometimes called the "new employer rate." After an employer has enough history, the rate varies according to the amount of unemployment benefit charges against the employer's account and the employer's taxable payroll.

Your taxable payroll and the amount of unemployment benefits paid directly affect your tax rate. Each time a former employee collects unemployment insurance benefits, your account is charged a certain amount, unless charges are relieved. Employers whose unemployment charges are low in comparison to taxable payroll are assigned lower tax rates. Higher rates are assigned to employers whose unemployment charges are high in comparison to their taxable payroll.

The formula used to calculate the tax rate for a business is shown below. We determine the ratio of charges to taxable payroll by dividing the charges to the account by the business' total taxable payroll for the last three years. We carry this division to six decimal points and it becomes the "benefit ratio." The closer the benefit

ratio is to 0.000000, the lower the tax rate.

$$\frac{\text{Total Charges to your Account}}{\text{Total Taxable Payroll}} = \text{Benefit Ratio}$$

(carried to six digits)

You are notified of your rate for the next calendar year by November 15. Your unemployment insurance tax rate is preprinted on the Oregon Quarterly Tax Report (Form OQ) sent in February of each year. You may request a quarterly statement of charges from the Employment Department by calling (503) 947-1488, option 4. A monthly listing of former employees who began receiving unemployment insurance benefits during the preceding month is also available by calling (503) 947-1341.

How charges are determined

You are charged only for benefits paid. If an unemployment insurance claimant worked for several employers, the charges to each employer are in proportion to the wages paid by each. For example, if total wages paid were \$12,000, all from the same employer, and benefits paid were \$1,200, all the charges would be charged to the same employer. As another example, if total wages were \$12,000 with \$8,000 from one employer, \$4,000 from another employer and \$1,200 in benefits were paid, the first employer's charges would be \$800 or 2/3 of the total charges and the other employer's charges would be \$400.

How to know if there are charges

When a former employee files a new claim for benefits or an existing claim is re-determined, the employers for which the employee worked during the base year (explained on page 23) receive a Notice of Claim Determination (Form 197). Use Form 197 to identify the reason the former employee is no longer employed.

Checking the box on the form and returning it to the Employment Department constitutes a request for

relief of charges. Form 197 requesting relief of charges must be postmarked, faxed or personally delivered to the Employment Department no later than 30 days after the date the form was mailed to the employer.

Form 197 shows the potential charge to your account, which is not an amount due. It is the maximum amount that could be charged to your account if the entire amount of benefits the claimant is eligible for is paid. We use only your share of the actual benefits in the experience rating process.

Some charges can be relieved

Request relief of charges by responding to Form 197, Notice of Claim Determination. In some cases, your account is relieved of charges automatically without advance notice. Send in a request for relief of charges if you believe it is warranted and you have not previously received relief of charges on the claim. For details on relief of charges, refer to the Notice of Claim Determination (Form 197).

Although Oregon law does not provide for relief of charges for reimbursing employers, the Employment Department investigates responses questioning eligibility for unemployment insurance. Our investigation may result in a denial of benefits, reducing charges to the reimbursing employer.

Specific information about relief of charges is printed on the back of Form 197.

Federal Unemployment Tax Act (FUTA)

In addition to Oregon's unemployment tax, you pay a federal unemployment tax based on payroll. This tax, the Federal Unemployment Tax Act, or FUTA tax, funds the administrative costs of the employment service and unemployment insurance programs throughout the country and is collected by the Internal Revenue Service.

Timely Oregon Unemployment Tax Payments Reduce Federal FUTA Tax

Paying all state unemployment taxes and filing all required reports by January 31 for the previous calendar year allows a credit against FUTA tax. The FUTA tax rate is 6.2% on the first \$7000 of an employee's wages. The maximum allowable credit is 5.4% resulting in a net payable FUTA tax rate of .8%.

Example of Form 197 Notice of Claim Determination

WORKER	SOC SEC NUMBER	BYE	FILED	BASE YEAR START/END	WEEKLY	MAXIMUM
			10-26-93	87-81-92 to 04-30-93	197	62762
ACCOUNT NUMBER	YOUR BASE YEAR WAGES	POTENTIAL CHARGES	EXPIRES	CONTROL	MAIL	
597599	8321.75	9183.71	10-22-94	933801T	01-10-9	

REPLY TO: EMPLOYMENT DEPARTMENT
875 UNION ST N.E. ROOM 104 SALEM, OR 97311-0100

WORKER'S LAST DAY OF WORK: _____
REASON FOR SEPARATION OR TERMINATION: _____

1. TO REQUEST RELIEF FROM CHARGES, PLEASE CHECK THIS BOX.
2. TO REQUEST PAYMENT OF BENEFITS, CHECK THIS BOX.

SIGNATURE _____ DATE _____ PHONE _____
ED: 250

IF REPLYING, RETURN THIS PORTION TO THE EMPLOYMENT DEPARTMENT WITHIN 10 CALENDAR DAYS AFTER THE MAILING DATE.
RETAIN THIS PORTION FOR YOUR RECORD IF A REPLY IS NOT REQUIRED. Form 197 (11-93)

WORKER	SOC SEC NUMBER	BYE	FILED	BASE YEAR START/END	WEEKLY	MAXIMUM

NOTICE OF CLAIM DETERMINATION (POTENTIAL CHARGES)

notice of claim determination is furnished to each base year employer when an individual establishes a valid unemployment insurance claim and upon an amended determination. The employer identifies the base year of the claim, the amount of wages paid to the worker on the same firm during such base year, and the reason for charges to your account. Please notify the

OS 657-071 provides: Your account may be relieved of charges if you request such relief in writing within 10 days of the date of this notice (this time limit cannot be extended) if the worker:

1. Voluntarily left your employ for reasons not attributable to you; OR
2. Was disqualified for being discharged for misconduct from the most recent separation from your firm; OR
3. Has furnished part time work by you during the base year and the worker has become eligible for benefits because of loss of employment with one or more other employers and you have continued to furnish part time work to the worker in substantially the same amount during the base year. If relief is requested, include specific details and complete this form even though you might be furnishing information already given this agency in response to a prior notice.

OS 657-074(3) provides: Relief from Oregon: If the worker was discharged because of theft or felony in connection with work, all benefit rights accrued and wages paid prior to the date of such discharge will be cancelled if (1) you notify the employment Department within 10 days of the date of this notice and (2) the Department obtains an admission of the act or information that the not result in a court conviction.

you are not required to reply to this notice. Reply only if the information is incorrect or you are requesting (1) relief from charges, (2) cancellation of benefits rights, or (3) a hearing to determine whether these wages are covered employment under Chapter 657 ORS, the Employment Department law. If replying, return the upper portion of this form to the Employment Department WITHIN 10 DAYS. The period of time an employer has to respond to notice may be extended if circumstances beyond a reasonable control of the employer caused the late filing. If good cause exists, the filing period may be extended, but will not exceed seven days. IF RESPONDING TO THIS NOTICE MORE THAN 10 CALENDAR DAYS AFTER THE MAILING DATE, PLEASE EXPLAIN THE REASON FOR THE DELAY ON THE BACK OF THE UPPER PORTION OF THIS FORM.

NOTE: Relief of Charges does not in any way affect payment of benefits to the claimant.

OREGON UNEMPLOYMENT INSURANCE BENEFITS

Eligibility

A person qualifies for benefits through a combination of work and wages over a 12-month period known as the base year. The base year is the first four of the last five completed calendar quarters prior to the date a person first files a claim to set up a benefit year. There are two ways to qualify:

- An individual may qualify for benefits if he or she has employment and wages of at least \$1,000 in the base year and the sum of the base year wages is equal to at least one and one-half times the wages in the highest quarter of the base year. For example, if a person's highest quarterly wages were \$4,000, he or she must have additional base year wages of at least \$2,000 to qualify. Or,
- An individual may qualify for benefits if he or she has at least 500 hours of employment subject to Employment Department Law in the base year.

The chart on page 22 illustrates the base year. The base year is the shaded area (first four of the last five completed calendar quarters). For example, if a worker files a claim during August, the base year will be April of the previous year through March of the current year. The Employment Department would then examine the record of work and wages paid to the person during that period. Generally, wages paid before the base year are not used in the claim. Wages paid after the base year are not available for use on a claim until that quarter becomes part of a base year on a future claim.

Benefits a claimant receives depend on the wages paid during the base year. The weekly benefit amount is 1.25% of the total base year wages but with a fixed lower limit of 15% and an upper limit of 64% of the state average weekly wage in covered employment.

Workers receive benefits during a benefit year. This is the 12-month period beginning with the week they first file for benefits to set up a claim. During the benefit year, claimants receive benefits based on their wages during the base year.

Except for very small claims, claimants may receive a maximum of 26 times their weekly benefit amount on a regular unemployment insurance claim during the benefit year. This amount cannot exceed one-third of the base year wages. Further benefits may be paid beyond the 26 weeks during periods of high unemployment.

Disqualifications and penalties

The unemployment insurance program provides benefits on the basis of eligibility, not need. A worker with a sufficient recent work history may receive benefits if out of work through no fault of his or her own. Additionally, the person must be able, available, and actively seeking work.

Grounds for disqualification, denial, or reduction of benefits include:

1. Voluntarily leaving work without good cause, discharge or suspension for misconduct connected with the work, or failing to accept a job offer or a referral to a job without good cause. If disqualified, claimants must work and earn at least four times their weekly benefit amount. In addition, the total benefits a person can receive are reduced. As a general rule, the total amount of benefits is reduced by eight times the person's weekly benefit amount for each disqualification.

2. Discharge because of a felony or theft connected with the work. If disqualified, all benefit rights based on the wages earned before the date of discharge are canceled.
3. Being involved in a labor dispute. The claimant may be disqualified as long as the labor dispute continues.
4. Not being able to work, not being available for work, and/or not actively seeking work. This is a week-to-week denial. The disqualification ends when the claimant is able, available, and actively seeking work.
5. Receipt of retirement pay from a base year employer. Retirement pay is deducted dollar for dollar from the weekly benefit payment.
6. Part-time work. A person may earn up to 10 times Oregon's minimum wage or one-third of the weekly benefit amount (whichever is greater) before benefits are deducted dollar for dollar from the weekly benefit payment. A person is considered employed and not eligible for benefits when wages for the week equal the weekly benefit amount or the person is employed full time regardless of earnings.
7. School employees between terms and school years. Generally, school employees do not receive benefits based on school wages if they have reasonable assurance of returning to work when school re-opens.
8. Not having authorization to work in the United States. Benefits will not be paid unless a person has authorization to work in this country.
9. Fraudulently receiving benefits. Misrepresentation in order to receive benefits may result in a disqualification of up to 26 weeks and criminal prosecution.

Notice of Claim Filed (Form 220)

Benefits are payable to workers unemployed through no fault of their own. The most recent employer plays a key role in this decision, regardless of the length of time that a claimant may have worked. Thus, when a person files or restarts a claim, the most recent employer receives a Notice of Claim Filed. If a claimant did not work and earn four times the weekly benefit amount from his or her last employer, we will also mail a Form 220 to the next-to-last employer.

Employment Department adjudicators investigate separation and eligibility issues. We rely on you, the employer, for much of our information about a claimant's eligibility. Your timely response to the notice of claim filed form 220 entitles you to a decision you can appeal if an issue exists that may affect the person's eligibility for benefits. To protect your appeal rights, make sure the Form 220 is postmarked, faxed, or personally delivered to the Employment Department no later than ten days after the date we mailed the form.

If a claimant stopped working for you for any reason other than lack of work, provide details of the separation in the space provided on the form and use the back if necessary. Please be sure your information is correct and true. Willful false statements can result in additional charges against your account.

It is important that you respond to requests for separation information on former employees. The facts surrounding an employee's separation can directly affect your tax rate because we decide whether to pay claimants based, in part, on this information. If you do not provide any information, the Employment Department will make a decision based on available information. Decisions to allow benefits affect all base year employers as their

accounts may be subject to charges for benefits paid as a result of the person's most recent separation.

Inquiries From Other States

All states, the District of Columbia, Puerto Rico, the Virgin Islands, and Canada have unemployment insurance programs. People who work in one state often file for unemployment in another state. If you receive forms from another jurisdiction requesting information about a former employee, it is to your advantage to reply. It can affect charges to your account no matter where the claimant lives or files his or her claim.

Reporting a job refusal

A worker who refuses suitable work without good cause will be disqualified. The Employment Department has no way of discovering these issues unless you or the worker tell us. If you offer a job to someone who is claiming benefits, please let your local Employment Department office know at once if that person fails to accept the job or behaves in a way that causes you to withhold a job offer.

Fraud

We routinely compare employer quarterly wage reports to records of unemployment benefit payments to find those people who work without reporting their earnings on their claims. This is called the cross-match system. We also look into issues brought to our attention from any other source. To discourage fraud we publicize our cross-match system, the penalties for fraud, and individual court convictions.

We automatically credit the accounts of tax-paying employers for any benefits paid because of fraud. We credit reimbursing employers when the Employment Department recovers the benefits that have been paid because of fraud.

We accept anonymous tips from anyone who thinks a person is committing fraud. The toll-free number is 1-877-668-3204.

Benefit Inquiries

Call your local Employment Department office if you have a question on how to complete a form or on benefit eligibility in general.

HEARINGS

Purpose and Process

Every year the Employment Department issues thousands of administrative decisions. The decisions may concern unemployment taxes or the payment of unemployment insurance benefits. If you receive such a decision and you disagree with it, you may request a hearing. To get a hearing you must:

- File a written request within the 20-day time limit or within ten days if you are appealing a claim determination ; and
- Specifically write that you request a hearing.

We will mail to you notice of the date, time, and place of the hearing along with a pamphlet titled *How to Prepare and Present Your Case*. Hearings are held by telephone conference call. Hearing Officer Panel administrative law judges conduct the hearings.

The Employment Department's hearing process is simple. Individuals can represent themselves. During a hearing, both sides have a chance to present their cases and ask questions of any witnesses that appear. All testimony is taken under oath or affirmation.

The decision of the administrative law judge is based solely on the facts presented at the hearing. It is important you participate in the hearing to make certain your side of the story is told.

If you cannot participate in the scheduled hearing, contact the Hearings Section immediately. If you ask for a hearing but then fail to participate, your appeal will be dismissed.

You will receive a written decision approximately 14 days after the hearing.

You may also appeal the administrative law judge's decision. Unemployment benefit cases are appealed to the Employment Appeals Board, a three-person panel appointed by the governor. Tax cases are appealed to the Oregon Court of Appeals. These appeals are a review of the administrative law judge's decision based on the evidence presented at the first hearing. This is another reason it is so important to attend a hearing to represent your case.

If you have questions regarding a hearing, contact the Employment Hearings Section at (503) 947-1515 or 1-888-577-2422.

LABOR MARKET

INFORMATION

The Oregon Employment Department collects, analyzes, publishes, and distributes a wide variety of labor market information. Much of the information on Oregon's economy is gathered through surveys sent to cooperating businesses. We are indebted to all the employers that regularly spend valuable business time to accurately complete these survey forms.

Labor market information is used by businesses, economic development planners, educators and training providers, job applicants, legislators, the media and others to identify issues and opportunities that affect Oregonians. Some of the services provided include researching labor force and related topics, supplying data and analysis to new and expanding firms, and analyzing occupational supply and demand.

The Oregon Employment Department has a number of regional economists and workforce analysts located throughout the state to assist customers who are interested in applying labor market information to their business needs. These locally stationed staff are available to visit employers and provide concise, up-to-date information about the local and state economy and its effect on the community workforce.

Information on the Internet

The Oregon Employment Department maintains a nationally recognized Web site where employers can obtain local, regional and statewide information about employment, unemployment rates, the Consumer Price Index, industry and occupational projections, workplace skills, wages and much more. The Oregon Labor Market Information System (OLMIS) site can be viewed at www.QualityInfo.org.

Labor Market Information Publications

Employment Department staff prepare and distribute thousands of useful publications to schools, businesses, planners and the general public. A complete listing of all the department's labor market information publications can be viewed at www.olmis.org, or may be ordered by calling (503) 947-1204.

CHILD CARE DIVISION

The Child Care Division was created within the Employment Department, with legislation enacted in 1993, to emphasize the importance of child care as a work force issue.

Services for Employers

The division encourages and assists employers to meet the child-care needs of their employees, and promotes the use of the state Employer Dependent Care Assistance tax credit program. Call 1-800-556-6616 or (503) 947-1400 for information and materials about dependent-care options.

Employers can find assistance in finding cost effective solutions to the child care needs of their workforce through their local child care resource and referral agency. Communities throughout the state are served through the child care resource and referral system which receives financial support from the Child Care Division. For information about your local agency, call the Oregon Child Care Resource and Referral Network at 1-800-342-6712 or visit their website at www.oregonchildcare.org.

In addition, the division is responsible for:

Child Care Regulation

The division certifies child care centers and group homes and registers family childcare providers. Additional services include consultation, technical assistance, monitoring, compliant investigation, and information to parents and other individuals. For more information, call 1-800-556-6616 or (503) 947-1400 or visit our web site at www.WorkingInOregon.org

Child Care for HighRisk Populations

The division contracts with local organizations and schools to provide child care services to teen parents, migrant and seasonal farm workers, parents in substance-abuse treatment programs and children with special needs. For specific program information call (503) 947-1421.

Administration of Child Care and Development Fund (CCDF)

The Child Care Division is designated as the lead agency for CCDF. CCDF funds are used to assist low income working parents with the cost of care, increase the supply of child care and before and after-school programs and enhance the quality of care. CCDF funds are also used for regulation of child care providers, resource and referral, and child-care services to high-risk populations.

Childcare advocacy and information

The Commission for Child Care was created by the Legislature to address the issues, problems and alternative solutions that are critical to the development of accessible, affordable and quality child-care services. The commission consists of 15 volunteer citizens and three legislators, appointed by the governor, Senate president, and speaker of the House of Representatives. For more information call (503) 947-1891.

Employment Department Telephone Directory

Field Office	Employment Service	Unemployment Insurance	Tax	Telephone Device for the Deaf
Albany	(541) 967-2171	(541) 967-2171	(541) 967-2171 x224	711
Ashland	(541) 552-6852	(541) 776-6060	--	711
Astoria	(503) 325-4821	(503) 325-4821	(503) 325-4821 x236	(503) 325-2898
Baker City	(541) 523-6331	(541) 523-6331	--	711
Beaverton	(503) 644-1229	(503) 644-7246	(503) 626-2151	711
Bend	(541) 388-6070	(541) 388-6070	(541) 388-6086	711
Burns	(541) 573-5251	(541) 573-5251	--	711
Coos Bay	(541) 756-8459	(541) 756-5700	(541) 756-8469	(541) 756-8465
Corvallis	(541) 757-4261	(541) 967-2171	(541) 575-4261 x230	711
Dallas	(503) 831-1950	(503) 378-4824	--	711
Enterprise	(541) 426-4972	(541) 426-4972	--	711
Eugene	(541) 686-7601	(541) 686-7601	(541) 686-7797 x4239	(541) 686-7764
Florence	(541) 997-1913	(541) 997-1913	--	711
Gold Beach	(541) 247-7043	(541) 469-9836	--	711
Grants Pass	(541) 474-3161	(541) 474-3161	(541) 474-3151	711
Gresham	(503) 669-7112	(503) 661-0854	(503) 666-1985 x312	711
Hermiston	(541) 567-3381	(541) 567-3381	--	711
Hillsboro	(503) 681-0219	(503) 640-6642	(503) 681-0222	711
Hood River	(541) 386-6020	(541) 386-6020	(541) 386-6020 x230	711
John Day	(541) 575-0744	(541) 575-0744	--	711
Klamath Falls	(541) 883-5630	(541) 883-5630	(541) 883-5628	711
La Grande	(541) 963-7111	(541) 963-7111	(541) 963-7111 x34	711
Lakeview	(541) 947-3501	(541) 947-3501	--	711
Lebanon	(541) 259-5790	(541) 967-2171	--	711
Lincoln City	(541) 994-6992	(541) 265-9253	--	711
Madras	(541) 475-2382	(541) 475-2382	--	711
McMinnville	(503) 472-5118	(503) 472-5118	(503) 434-7574 x574	(503) 434-7587
Medford	(541) 776-6060	(541) 776-6060	(541) 776-6247	(541) 776-6266
Milton-Freewater	(541) 938-3371	(541) 938-3371	--	711
Newberg	(503) 538-8970	(503) 538-8970	--	711
Newport	(541) 265-8891	(541) 265-9253	(541) 574-2303	(541) 265-8213
Ontario	(541) 889-5394	(541) 889-5394	(541) 889-2710	711
Oregon City	(503) 657-2071	(503) 657-2070	(503) 657-2002	711
Pendleton	(541) 276-9050	(541) 276-9050	(541) 276-9050 x223	711
PtId-Downtown	(503) 731-4139	(503) 731-3429	(541) 731-4276	(503) 229-6972
PtId-North	(503) 280-6046	(503) 280-6046	(503) 280-6014	(503) 280-6011
Prineville	(541) 447-8076	(541) 447-8076	--	711
Redmond	(541) 548-8196	(541) 548-8196	(541) 548-8196 x330	711
Roseburg	(541) 440-3344	(541) 440-3344	(541) 440-3344 x213	711
St. Helens	(503) 397-4995	(503) 397-4995	--	(503) 366-6020
Salem	(503) 378-4846	(503) 378-4824	(503) 378-3352	(503) 378-4821
Santiam Center	(503) 767-2092	(503) 378-4824	--	(503) 589-7836
Springfield	(541) 726-3525	(541) 726-3525	--	711
The Dalles	(541) 296-5435	(541) 296-5435	--	711
Tillamook	(503) 842-4488 or 1-800-472-2903	--	--	711
Winema	(503) 399-2300	(503) 378-4824	--	711
Woodburn	(503) 982-2817	(503)-378-4824	--	711

HEARINGS:

Eugene Hearings: (541) 686-7960
Salem Hearings: (503) 947-1515

TAX INFORMATION:

Oregon: (503) 947-1488

GENERAL INFORMATION:

Within Oregon: 1-800-237-3710
Outside Oregon: (503) 947-1394
TDD/nonvoice users: 711



STATE OF OREGON
EMPLOYMENT DEPARTMENT
www.WorkingInOregon.org



UI PUB 45 (5-03)