

**PROPOSED CONFERENCE COMMITTEE AMENDMENTS TO  
B-ENGROSSED SENATE BILL 916**

On page 1 of the printed A-engrossed bill, delete lines 6 through 19 and delete pages 2 through 11 and insert:

**“SECTION 1.** ORS 657.200 is amended to read:

**“657.200. (1) [*An individual is disqualified for benefits*] **Notwithstanding the provisions of this chapter relating to availability for work, actively seeking work or refusal to accept suitable work, an individual who is otherwise eligible for benefits is not disqualified for benefits or waiting week credit** for any week with respect to which the Director of the Employment Department finds that the unemployment of the individual is due to a [*labor dispute*] **lockout** that is in active progress at the factory, establishment or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement or otherwise.**

**“(2)(a) An individual is disqualified for benefits for the first two weeks with respect to which the Director of the Employment Department finds that the unemployment of the individual is due to a strike that is in active progress at the factory, establishment or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement or otherwise.**

**“(b) Notwithstanding the provisions of this chapter relating to availability for work, actively seeking work or refusal to accept suit-**

1 **able work, after the first two weeks, an individual described in para-**  
2 **graph (a) of this subsection who is otherwise eligible for benefits is**  
3 **not disqualified for benefits or waiting week credit for any of the**  
4 **subsequent six weeks of unemployment due to the strike.**

5 *“(2) When an employer operates two or more premises in the conduct of*  
6 *business they shall be considered one premises for the purposes of this chapter*  
7 *if the labor dispute at one makes it impossible or impractical to conduct work*  
8 *at the others or in a normal manner.]*

9 *“(3) This section does not apply if it is shown to the satisfaction of the*  
10 *director that the individual:]*

11 *“(a) Is unemployed due to a lockout, as defined in ORS 662.205, at the*  
12 *factory, establishment or other premises at which the individual was last em-*  
13 *ployed; or]*

14 *“(b)(A) Is not participating in or financing or directly interested in the*  
15 *labor dispute that caused the unemployment of the individual; and]*

16 *“(B) Does not belong to a grade or class of workers of which, immediately*  
17 *before the commencement of the labor dispute, there were members employed*  
18 *at the premises at which the labor dispute occurs, any of whom are partic-*  
19 *ipating in or financing or directly interested in the dispute.]*

20 *“(4) An individual who meets all other applicable benefit eligibility re-*  
21 *quirements of this chapter is not disqualified from receipt of benefits by this*  
22 *section if:]*

23 *“(a) The individual was laid off from the employer prior to commencement*  
24 *of the labor dispute, did not work for the employer more than seven days*  
25 *during the 21 calendar days immediately prior to the commencement of the*  
26 *labor dispute and meets the requirements of subsection (3)(b)(A) of this section;*  
27 *or]*

28 *“(b) During the labor dispute, the individual’s job or position is filled by*  
29 *the employer hiring a permanent replacement and the following conditions are*  
30 *met:]*

1        “[A] *The individual subsequently unilaterally abandons the labor dispute*  
2        *and affirmatively seeks reemployment with the employer; and]*

3        “[B] *The individual meets the requirements of subsection (3)(b)(A) of this*  
4        *section.]*

5        “[5] *An individual who maintains membership in a labor union or who*  
6        *continues to pay labor union dues does not violate the provisions of subsection*  
7        *(3)(b)(A) of this section, for the purpose of subsection (4) of this section.]*

8        **“SECTION 2.** ORS 657.200, as amended by section 1 of this 2025 Act, is  
9        amended to read:

10       “657.200. [(1) *Notwithstanding the provisions of this chapter relating to*  
11       *availability for work, actively seeking work or refusal to accept suitable work,*  
12       *an individual who is otherwise eligible for benefits is not disqualified for*  
13       *benefits or waiting week credit for any week with respect to which the Director*  
14       *of the Employment Department finds that the unemployment of the individual*  
15       *is due to a lockout that is in active progress at the factory, establishment or*  
16       *other premises at which the individual is or was last employed or at which the*  
17       *individual claims employment rights by union agreement or otherwise.]*

18       “[2](a) *An individual is disqualified for benefits for the first two weeks*  
19       *with respect to which the Director of the Employment Department finds that*  
20       *the unemployment of the individual is due to a strike that is in active progress*  
21       *at the factory, establishment or other premises at which the individual is or*  
22       *was last employed or at which the individual claims employment rights by*  
23       *union agreement or otherwise.]*

24       “[b] *Notwithstanding the provisions of this chapter relating to availability*  
25       *for work, actively seeking work or refusal to accept suitable work, after the*  
26       *first two weeks, an individual described in paragraph (a) of this subsection*  
27       *who is otherwise eligible for benefits is not disqualified for benefits or waiting*  
28       *week credit for any of the subsequent six weeks of unemployment due to the*  
29       *strike.]*

30       **“(1) An individual is disqualified for benefits for any week with re-**

1 spect to which the Director of the Employment Department finds that  
2 the unemployment of the individual is due to a labor dispute that is  
3 in active progress at the factory, establishment or other premises at  
4 which the individual is or was last employed or at which the individual  
5 claims employment rights by union agreement or otherwise.

6 “(2) When an employer operates two or more premises in the con-  
7 duct of business they shall be considered one premises for the purposes  
8 of this chapter if the labor dispute at one makes it impossible or im-  
9 practical to conduct work at the others or in a normal manner.

10 “(3) This section does not apply if it is shown to the satisfaction of  
11 the director that the individual:

12 “(a) Is unemployed due to a lockout, as defined in ORS 662.205, at  
13 the factory, establishment or other premises at which the individual  
14 was last employed; or

15 “(b)(A) Is not participating in or financing or directly interested in  
16 the labor dispute that caused the unemployment of the individual; and

17 “(B) Does not belong to a grade or class of workers of which, im-  
18 mediately before the commencement of the labor dispute, there were  
19 members employed at the premises at which the labor dispute occurs,  
20 any of whom are participating in or financing or directly interested in  
21 the dispute.

22 “(4) An individual who meets all other applicable benefit eligibility  
23 requirements of this chapter is not disqualified from receipt of benefits  
24 by this section if:

25 “(a) The individual was laid off from the employer prior to com-  
26 mencement of the labor dispute, did not work for the employer more  
27 than seven days during the 21 calendar days immediately prior to the  
28 commencement of the labor dispute and meets the requirements of  
29 subsection (3)(b)(A) of this section; or

30 “(b) During the labor dispute, the individual’s job or position is

1 filled by the employer hiring a permanent replacement and the fol-  
2 lowing conditions are met:

3 “(A) The individual subsequently unilaterally abandons the labor  
4 dispute and affirmatively seeks reemployment with the employer; and

5 “(B) The individual meets the requirements of subsection (3)(b)(A)  
6 of this section.

7 “(5) An individual who maintains membership in a labor union or  
8 who continues to pay labor union dues does not violate the provisions  
9 of subsection (3)(b)(A) of this section, for the purpose of subsection (4)  
10 of this section.

11 **“SECTION 3. The amendments to ORS 657.200 by section 2 of this**  
12 **2025 Act apply to weeks beginning on or after January 1, 2036.**

13 **“SECTION 4. ORS 657.010, as amended by section 28, chapter 75, Oregon**  
14 **Laws 2024, is amended to read:**

15 “657.010. As used in this chapter, unless the context requires otherwise:

16 “(1) ‘Base year’ means the first four of the last five completed calendar  
17 quarters preceding the benefit year.

18 “(2) ‘Benefits’ means the money allowances payable to unemployed per-  
19 sons under this chapter.

20 “(3) ‘Benefit year’ means a period of 52 consecutive weeks commencing  
21 with the first week with respect to which an individual files an initial valid  
22 claim for benefits, and thereafter the 52 consecutive weeks period beginning  
23 with the first week with respect to which the individual next files an initial  
24 valid claim after the termination of the individual’s last preceding benefit  
25 year except that the benefit year shall be 53 weeks if the filing of an initial  
26 valid claim would result in overlapping any quarter of the base year of a  
27 previously filed initial valid claim.

28 “(4) ‘Calendar quarter’ means the period of three consecutive calendar  
29 months ending on March 31, June 30, September 30 or December 31, or the  
30 approximate equivalent thereof, as the Director of the Employment Depart-

1 ment may, by rule, prescribe.

2 “(5) ‘Contribution’ or ‘contributions’ means [*the taxes that are*] the money  
3 payments required by this chapter, or voluntary payments permitted, to be  
4 made to the Unemployment Compensation Trust Fund.

5 “(6) ‘Educational institution,’ including an institution of higher educa-  
6 tion, means an institution:

7 “(a) In which participants, trainees or students are offered an organized  
8 course of study or training designed to transfer to them knowledge, skills,  
9 information, doctrines, attitudes or abilities from, by or under the guidance  
10 of an instructor or teacher;

11 “(b) That is accredited, registered, approved, licensed or issued a permit  
12 to operate as a school by the Department of Education or other government  
13 agency, or that offers courses for credit that are transferable to an approved,  
14 registered or accredited school;

15 “(c) In which the course or courses of study or training that it offers may  
16 be academic, technical, trade or preparation for gainful employment in a re-  
17 cognized occupation; and

18 “(d) In which the course or courses of study or training are offered on a  
19 regular and continuing basis.

20 “(7) ‘Employment office’ means a free public employment office or branch  
21 thereof, operated by this state or maintained as a part of a state-controlled  
22 system of public employment offices.

23 “(8) ‘Hospital’ has the meaning given that term in ORS 442.015.

24 “(9) ‘Institution of higher education’ means an educational institution  
25 that:

26 “(a) Admits as regular students only individuals having a certificate of  
27 graduation from a high school, or the recognized equivalent of such a cer-  
28 tificate;

29 “(b) Is legally authorized in this state to provide a program of education  
30 beyond high school;

1 “(c) Provides an educational program for which it awards a bachelor’s or  
2 higher degree, or provides a program that is acceptable for full credit toward  
3 such a degree, a program of post-graduate or post-doctoral studies, or a pro-  
4 gram of training to prepare students for gainful employment in a recognized  
5 occupation; and

6 “(d) Is a public or other nonprofit institution.

7 “(10) ‘Instructional capacity’ does not include services performed as an  
8 instructional assistant as defined in ORS 342.120.

9 “(11) ‘Internal Revenue Code’ means the federal Internal Revenue Code,  
10 as amended and in effect on December 31, 2023.

11 **“(12) ‘Labor dispute’ means any concerted or deliberate action by**  
12 **two or more individuals or by an employing unit resulting in either a**  
13 **strike or lockout in which wages, hours, working conditions or terms**  
14 **of employment of the individuals are involved.**

15 **“(13) ‘Lockout’ means any refusal by an employer to permit em-**  
16 **ployees to work as a result of a dispute with the employees affecting**  
17 **wages, hours or other terms or conditions of their employment.**

18 “[~~(12)~~] (14) ‘Nonprofit employing unit’ means an organization, or group  
19 of organizations, described in section 501(c)(3) of the Internal Revenue Code  
20 that is exempt from income tax under section 501(a) of the Internal Revenue  
21 Code.

22 “[~~(13)~~] (15) ‘State’ includes, in addition to the states of the United States  
23 of America, the District of Columbia and Puerto Rico. However, for all pur-  
24 poses of this chapter the Virgin Islands shall be considered a state on and  
25 after the day on which the United States Secretary of Labor first approves  
26 the Virgin Islands’ law under section 3304(a) of the Federal Unemployment  
27 Tax Act as amended by Public Law 94-566.

28 **“(16) ‘Strike’ means any concerted act of employees in a lawful re-**  
29 **fusal under applicable state or federal law to perform work or services**  
30 **for an employer.**

1 “[(14)] (17) ‘Taxes’ means **contributions** *[the money payments to the Un-*  
2 *employment Compensation Trust Fund required, or voluntary payments per-*  
3 *mitted, by this chapter]*.

4 “[(15)] (18) ‘Valid claim’ means any claim for benefits made in accordance  
5 with ORS 657.260 if the individual meets the wages-paid-for-employment re-  
6 quirements of ORS 657.150.

7 “[(16)] (19) ‘Week’ means any period of seven consecutive calendar days  
8 ending at midnight, as the director may prescribe by rule.

9 **“SECTION 5.** ORS 657.153 is amended to read:

10 “657.153. (1) **Except as provided in subsection (2) of this section,** the  
11 amount of back pay paid by an employer, or awarded by a judge or  
12 arbitrator, to an individual may not be reduced to reflect the amount of  
13 benefits that the individual received *[during]* **for** the period for which the  
14 back pay was paid or awarded.

15 **“(2) Subsection (1) of this section does not apply to back pay paid**  
16 **to resolve a strike by an employer to an employee who received bene-**  
17 **fits for the period during which the strike was in active progress.**

18 **“SECTION 6.** ORS 657.153, as amended by section 5 of this 2025 Act, is  
19 amended to read:

20 “657.153. *[(1) Except as provided in subsection (2) of this section,]* The  
21 amount of back pay paid by an employer, or awarded by a judge or  
22 arbitrator, to an individual may not be reduced to reflect the amount of  
23 benefits that the individual received for the period for which the back pay  
24 was paid or awarded.

25 *“[(2) Subsection (1) of this section does not apply to back pay paid to resolve*  
26 *a strike by an employer to an employee who received benefits for the period*  
27 *during which the strike was in active progress.]*

28 **“SECTION 7.** The amendments to ORS 657.153 by section 6 of this  
29 **2025 Act apply to back pay paid or awarded on or after January 1, 2036.**

30 **“SECTION 8.** ORS 657.310 is amended to read:



1       “657.310. (1)[(a) If] **This section applies to an individual who, accord-**  
2 **ing to a decision of** the Director of the Employment Department, [*decides*  
3 *that an individual*] received any benefits [*under this chapter*] to which the  
4 individual is not entitled because the individual[,]:

5       “(a) Regardless of the individual’s knowledge or intent, made or caused  
6 to be made a false statement or misrepresentation of a material fact, or failed  
7 to disclose a material fact[,]; **or**

8       “(b) **Notwithstanding ORS 657.315, received back pay from an em-**  
9 **ployer to resolve a strike.**

10       “(2)(a) [*the*] **An individual described in subsection (1) of this section**  
11 **is liable:**

12       “(A) To repay the amount of the benefits to the director for the Unem-  
13 ployment Compensation Trust Fund; or

14       “(B) To have the amount of the benefits deducted from any future benefits  
15 otherwise payable to the individual under this chapter.

16       “(b) For purposes of paragraph (a)(B) of this subsection, the director may  
17 deduct all or any part of the individual’s future weekly benefits.

18       “(c) Except as provided in subsection [(2)(b)] **(3)(b)** of this section, **an**  
19 **overpayment of** benefits described in [*paragraph (a) of this*] subsection **(1)**  
20 **of this section** may be collected for any week or weeks within five years  
21 following the week in which the decision establishing the erroneous payment  
22 became final.

23       “(d) Notice provided to an individual of the individual’s liability for re-  
24 covery of benefits under this section must include a description of:

25       “(A) The basis for the director’s decision that benefits have been overpaid;  
26 and

27       “(B) The consequences of the overpayment, including the methods of re-  
28 covery of the overpaid amount, with interest and penalties, and the possi-  
29 bility of waiver under ORS 657.317.

30       “[(2)(a)] **(3)(a)** In addition to the liability described in subsection [(1)] **(2)**

1 of this section, an individual who has been disqualified for benefits under  
2 ORS 657.215 is liable for a penalty imposed at a rate prescribed by the di-  
3 rector of at least 15, but not greater than 30, percent of the amount of ben-  
4 efits the individual received to which the individual was not entitled.

5 “(b) Notwithstanding subsection [(1)(c)] **(2)(c)** of this section, overpaid  
6 benefits that are subject to the penalty imposed under this subsection may  
7 be collected at any time.

8 “[~~(3)~~] **(4)** A decision of the director under this section does not authorize  
9 the recovery of the amount of any benefits paid to an individual until the  
10 decision is final and the decision specifies **the week or weeks for which**  
11 **the benefits were paid and:**

12 “(a)**(A)** That the individual, by reason of the false statement, misrepre-  
13 sentation or nondisclosure, is liable to repay the amount to the Unemploy-  
14 ment Compensation Trust Fund; **and**

15 “[~~(b)~~] **(B)** The nature of the false statement, misrepresentation or  
16 nondisclosure; [~~and~~] **or**

17 **“(b) That the individual, by reason of the receipt of back pay as**  
18 **described in subsection (1)(b) of this section, is liable to repay the**  
19 **amount to the Unemployment Compensation Trust Fund.**

20 “[~~(c)~~] *The week or weeks for which the benefits were paid.*]

21 “[~~(4)(a)~~] **(5)(a)** The director may bring a civil action against an individual  
22 to collect any amount subject to recovery and any penalty due under this  
23 section.

24 “(b) Judgment rendered shall bear interest at the rate provided in sub-  
25 section [~~(5)~~] **(6)** of this section.

26 “[~~(5)~~] **(6)** Interest on any amount liable to be repaid under this section  
27 shall be paid and collected at the same time repayment of benefits is made  
28 by the individual, at the rate of one percent per month or fraction of a  
29 month, beginning on the first day of the month following 60 days after the  
30 finality of the administrative decision establishing the overpayment.

1 “[(6)(a)] **(7)(a)** Deductions from unemployment insurance benefits pursu-  
2 ant to subsection [(1)(a)(B)] **(2)(a)(B)** of this section shall be applied solely  
3 to the amount of the benefits liable to be repaid under this section.

4 “(b) All other payments shall be applied first to court costs, then to pen-  
5 alties, then to interest, then to the amount liable to be repaid.

6 “[(7)(a)] **(8)(a)** The following amounts collected under this section shall  
7 be paid into the Unemployment Compensation Trust Fund:

8 “(A) Amounts in repayment of benefits; and

9 “(B) The portion of penalties imposed under subsection [(2)] **(3)** of this  
10 section that is 15 percent of the amount of benefits received.

11 “(b) The following amounts collected under this section shall be paid into  
12 the Employment Department Special Fraud Control Fund in accordance with  
13 the provisions of ORS 657.400:

14 “(A) Interest other than interest described in paragraph (c) of this sub-  
15 section; and

16 “(B) The portion of penalties imposed under subsection [(2)] **(3)** of this  
17 section that remains after subtraction of the portion of penalties described  
18 in paragraph (a)(B) of this subsection.

19 “(c) Interest payable on any portion of benefits that were funded by the  
20 federal government shall be paid to the United States Department of Labor.

21 “[(8)] **(9)** The director shall adopt rules establishing standards and proce-  
22 dures for the repayment of benefits and payment of penalties and interest  
23 under this section.

24 “**SECTION 9.** ORS 657.310, as amended by section 8 of this 2025 Act, is  
25 amended to read:

26 “657.310. (1) This section applies to an individual who, according to a  
27 decision of the Director of the Employment Department, **regardless of the**  
28 **individual’s knowledge or intent**, received any benefits to which the indi-  
29 vidual is not entitled because the individual[:]

30 “[*(a) Regardless of the individual’s knowledge or intent,*] made or caused

1 to be made a false statement or misrepresentation of a material fact, or failed  
2 to disclose a material fact[; or]

3 “[*(b) Notwithstanding ORS 657.315, received back pay from an employer to*  
4 *resolve a strike*].

5 “(2)(a) An individual described in subsection (1) of this section is liable:

6 “(A) To repay the amount of the benefits to the director for the Unem-  
7 ployment Compensation Trust Fund; or

8 “(B) To have the amount of the benefits deducted from any future benefits  
9 otherwise payable to the individual under this chapter.

10 “(b) For purposes of paragraph (a)(B) of this subsection, the director may  
11 deduct all or any part of the individual’s future weekly benefits.

12 “(c) Except as provided in subsection (3)(b) of this section, an overpay-  
13 ment of benefits described in subsection (1) of this section may be collected  
14 for any week or weeks within five years following the week in which the  
15 decision establishing the erroneous payment became final.

16 “(d) Notice provided to an individual of the individual’s liability for re-  
17 covery of benefits under this section must include a description of:

18 “(A) The basis for the director’s decision that benefits have been overpaid;  
19 and

20 “(B) The consequences of the overpayment, including the methods of re-  
21 covery of the overpaid amount, with interest and penalties, and the possi-  
22 bility of waiver under ORS 657.317.

23 “(3)(a) In addition to the liability described in subsection (2) of this sec-  
24 tion, an individual who has been disqualified for benefits under ORS 657.215  
25 is liable for a penalty imposed at a rate prescribed by the director of at least  
26 15, but not greater than 30, percent of the amount of benefits the individual  
27 received to which the individual was not entitled.

28 “(b) Notwithstanding subsection (2)(c) of this section, overpaid benefits  
29 that are subject to the penalty imposed under this subsection may be col-  
30 lected at any time.

1 “(4) A decision of the director under this section does not authorize the  
2 recovery of the amount of any benefits paid to an individual until the deci-  
3 sion is final and [*the decision*] specifies:

4 “(a) The week or weeks for which the benefits were paid; [*and:*]

5 “[*(a)(A)*] (b) That the individual, by reason of the false statement, mis-  
6 representation or nondisclosure, is liable to repay the amount to the Unem-  
7 ployment Compensation Trust Fund; and

8 “[*(B)*] (c) The nature of the false statement, misrepresentation or  
9 nondisclosure.[; *or*]

10 “[*(b) That the individual, by reason of the receipt of back pay as described*  
11 *in subsection (1)(b) of this section, is liable to repay the amount to the Unem-*  
12 *ployment Compensation Trust Fund.*]

13 “(5)(a) The director may bring a civil action against an individual to  
14 collect any amount subject to recovery and any penalty due under this sec-  
15 tion.

16 “(b) Judgment rendered shall bear interest at the rate provided in sub-  
17 section (6) of this section.

18 “(6) Interest on any amount liable to be repaid under this section shall  
19 be paid and collected at the same time repayment of benefits is made by the  
20 individual, at the rate of one percent per month or fraction of a month, be-  
21 ginning on the first day of the month following 60 days after the finality of  
22 the administrative decision establishing the overpayment.

23 “(7)(a) Deductions from unemployment insurance benefits pursuant to  
24 subsection (2)(a)(B) of this section shall be applied solely to the amount of  
25 the benefits liable to be repaid under this section.

26 “(b) All other payments shall be applied first to court costs, then to pen-  
27 alties, then to interest, then to the amount liable to be repaid.

28 “(8)(a) The following amounts collected under this section shall be paid  
29 into the Unemployment Compensation Trust Fund:

30 “(A) Amounts in repayment of benefits; and

1 “(B) The portion of penalties imposed under subsection (3) of this section  
2 that is 15 percent of the amount of benefits received.

3 “(b) The following amounts collected under this section shall be paid into  
4 the Employment Department Special Fraud Control Fund in accordance with  
5 the provisions of ORS 657.400:

6 “(A) Interest other than interest described in paragraph (c) of this sub-  
7 section; and

8 “(B) The portion of penalties imposed under subsection (3) of this section  
9 that remains after subtraction of the portion of penalties described in para-  
10 graph (a)(B) of this subsection.

11 “(c) Interest payable on any portion of benefits that were funded by the  
12 federal government shall be paid to the United States Department of Labor.

13 “(9) The director shall adopt rules establishing standards and procedures  
14 for the repayment of benefits and payment of penalties and interest under  
15 this section.

16 **“SECTION 10. The amendments to ORS 657.310 by section 9 of this**  
17 **2025 Act apply to decisions of the Director of the Employment De-**  
18 **partment made on or after January 1, 2036.**

19 **“SECTION 11. ORS 657.317 is amended to read:**

20 “657.317. (1) The Director of the Employment Department shall waive re-  
21 covery of overpaid benefits under ORS 657.315 if the director finds that the  
22 benefits are recoverable due to a change in federal or state law, the appli-  
23 cation of which has caused the disqualification of benefits previously paid.

24 “(2)(a) Except as provided in paragraph (b) of this subsection, the director  
25 may waive recovery of all or any part of overpaid benefits subject to repay-  
26 ment or deduction under ORS 657.310 [(1)] (2) or 657.315 (1) if the director  
27 finds that recovery of the benefits would be against equity and good con-  
28 science.

29 “(b) The director may not waive recovery under this subsection of over-  
30 paid benefits that are:

1       **“(A) Described in ORS 657.310 (1)(b); or**

2       **“(B) Subject to the penalty imposed under ORS 657.310 [(2)] (3).**

3       “(3) The director may waive establishment and recovery of overpaid ben-  
4       efits when no decision has been issued under ORS 657.310 or 657.315 and the  
5       amount of the overpayment is less than one-half of the maximum weekly  
6       benefit amount in effect at the time the overpayment is discovered.

7       “(4) Any waiver granted under this section extinguishes all liability of the  
8       debtor for the waived amounts.

9       **“SECTION 12.** ORS 657.317, as amended by section 11 of this 2025 Act,  
10      is amended to read:

11      “657.317. (1) The Director of the Employment Department shall waive re-  
12      covery of overpaid benefits under ORS 657.315 if the director finds that the  
13      benefits are recoverable due to a change in federal or state law, the appli-  
14      cation of which has caused the disqualification of benefits previously paid.

15      “(2)(a) Except as provided in paragraph (b) of this subsection, the director  
16      may waive recovery of all or any part of overpaid benefits subject to repay-  
17      ment or deduction under ORS 657.310 (2) or 657.315 (1) if the director finds  
18      that recovery of the benefits would be against equity and good conscience.

19      “(b) The director may not waive recovery under this subsection of over-  
20      paid benefits that are[:]

21      “[(A) *Described in ORS 657.310 (1)(b); or*]

22      “[(B)] subject to the penalty imposed under ORS 657.310 (3).

23      “(3) The director may waive establishment and recovery of overpaid ben-  
24      efits when no decision has been issued under ORS 657.310 or 657.315 and the  
25      amount of the overpayment is less than one-half of the maximum weekly  
26      benefit amount in effect at the time the overpayment is discovered.

27      “(4) Any waiver granted under this section extinguishes all liability of the  
28      debtor for the waived amounts.

29      **“SECTION 13. The amendments to ORS 657.317 by section 12 of this**  
30      **2025 Act become operative on January 1, 2036.**

1       **“SECTION 14. Section 15 of this 2025 Act is added to and made a**  
2 **part of ORS chapter 657.**

3       **“SECTION 15. (1) Benefits received by an employee of a school dis-**  
4 **trict or an education service district during a labor dispute shall count**  
5 **toward the employee’s total compensation in the applicable collective**  
6 **bargaining agreement.**

7       **“(2) The district shall deduct from the employee’s future wages the**  
8 **amount of the benefits received.**

9       **“SECTION 16. ORS 657.176 is amended to read:**

10       **“657.176. (1) An authorized representative designated by the Director of**  
11 **the Employment Department shall promptly examine each claim to determine**  
12 **whether an individual is subject to disqualification as a result of a sepa-**  
13 **ration, termination, leaving, resignation[,] or disciplinary suspension from**  
14 **work, or as a result of failure to apply for or accept work, and shall**  
15 **promptly enter a director’s decision if required by ORS 657.267. The au-**  
16 **thorized representative may address issues raised by information before the**  
17 **authorized representative, including but not limited to the nature of the**  
18 **separation, notwithstanding the way the parties characterize those issues.**

19       **“(2) An individual shall be disqualified from the receipt of benefits until**  
20 **the individual has performed service in employment subject to this chapter**  
21 **or the equivalent law of another state or Canada or as defined in ORS**  
22 **657.030 (2) or as an employee of the federal government, for which**  
23 **remuneration is received that equals or exceeds four times the individual’s**  
24 **weekly benefit amount subsequent to the week in which the act causing the**  
25 **disqualification occurred, if the authorized representative designated by the**  
26 **director finds that the individual:**

27       **“(a) Has been discharged for misconduct connected with work;**

28       **“(b) Has been suspended from work for misconduct connected with work;**

29       **“(c) Voluntarily left work without good cause;**

30       **“(d) Failed without good cause to apply for available suitable work when**



1 referred by the employment office or the director;

2 “(e) Failed without good cause to accept suitable work when offered;

3 “(f) Has been discharged or suspended for being absent or tardy in re-  
4 porting to work and the absence or tardiness occurred as a result of the  
5 unlawful use of any drug unless the person was participating in a recognized  
6 drug rehabilitation program at the time of the absence or tardiness, or is so  
7 participating within 10 days after the date of the discharge or suspension,  
8 and the person provides to the Employment Department documentation of  
9 program participation. As used in this paragraph, ‘unlawful use’ does not  
10 include the use of a drug taken under the supervision of a licensed health  
11 care professional and in accordance with the prescribed directions for con-  
12 sumption, or other uses authorized by the laws of this state;

13 “(g) Has been discharged or suspended for being absent or tardy in re-  
14 porting to work and the absence or tardiness occurred as the result of the  
15 use of alcohol or cannabis on a second or any subsequent occasion within a  
16 period of 12 months unless the person was participating in a recognized al-  
17 cohool or cannabis rehabilitation program at the time of the absence or  
18 tardiness, or is so participating within 10 days after the date of the discharge  
19 or suspension, and the person provides to the department documentation of  
20 program participation; or

21 “(h) Has committed a disqualifying act described in subsection (9) or (10)  
22 of this section.

23 “(3) If the authorized representative designated by the director finds that  
24 an individual was discharged for misconduct because of the individual’s  
25 commission of a felony or theft in connection with the individual’s work, all  
26 benefit rights based on wages earned prior to the date of the discharge shall  
27 be canceled if the individual’s employer notifies the director of the discharge  
28 within 10 days following issuance of the notice provided for in ORS 657.265  
29 or 30 days following issuance of the notice provided for in ORS 657.266, and:

30 “(a) The individual has admitted commission of the felony or theft to an

1 authorized representative of the director;

2 “(b) The individual has signed a written admission of the felony or theft  
3 and the written admission has been presented to an authorized representative  
4 of the director; or

5 “(c) The felony or theft has resulted in a conviction by a court of com-  
6 petent jurisdiction.

7 “(4) An individual disqualified under subsection (2) of this section shall  
8 have the individual’s maximum benefit amount reduced by eight times the  
9 individual’s weekly benefit amount. However, in no event shall the  
10 individual’s maximum benefit amount be reduced to less than the individual’s  
11 weekly benefit amount unless the individual has previously received benefits  
12 during the individual’s benefit year.

13 “(5) An individual may not be disqualified from receiving benefits under  
14 subsection (2)(c) or (e) of this section [*or under ORS 657.200*] if the individual  
15 ceases work or fails to accept work when a collective bargaining agreement  
16 between the individual’s bargaining unit and the individual’s employer is in  
17 effect and the employer unilaterally modifies the amount of wages payable  
18 under the agreement, in breach of the agreement.

19 “(6) For purposes of applying subsection (2) of this section, when an in-  
20 dividual has notified an employer that the individual will leave work on a  
21 specific date and it is determined that:

22 “(a) The separation would be for reasons that constitute good cause;

23 “(b) The individual voluntarily left work without good cause prior to the  
24 date of the impending good cause voluntary leaving date; and

25 “(c) The actual voluntary leaving of work occurred no more than 15 days  
26 prior to the planned date of voluntary leaving,

27

28 then the separation from work shall be adjudicated as if the actual voluntary  
29 leaving had not occurred and the planned voluntary leaving had occurred.

30 However, the individual shall be ineligible for benefits for the period in-

cluding the week in which the actual voluntary leaving occurred through the week prior to the week of the planned good cause voluntary leaving date.

“(7) For purposes of applying subsection (2) of this section, when an employer has notified an individual that the individual will be discharged on a specific date and it is determined that:

“(a) The discharge would not be for reasons that constitute misconduct connected with the work;

“(b) The individual voluntarily left work without good cause prior to the date of the impending discharge; and

“(c) The voluntary leaving of work occurred no more than 15 days prior to the date of the impending discharge,

then the separation from work shall be adjudicated as if the voluntary leaving had not occurred and the discharge had occurred. However, the individual shall be ineligible for benefits for the period including the week in which the voluntary leaving occurred through the week prior to the week in which the individual would have been discharged.

“(8) For purposes of applying subsection (2) of this section, when an individual has notified an employer that the individual will leave work on a specific date and it is determined that:

“(a) The voluntary leaving would be for reasons that do not constitute good cause;

“(b) The employer discharged the individual, but not for misconduct connected with work, prior to the date of the planned voluntary leaving; and

“(c) The actual discharge occurred no more than 15 days prior to the planned voluntary leaving,

then the separation from work shall be adjudicated as if the discharge had not occurred and the planned voluntary leaving had occurred. However, the individual shall be eligible for benefits for the period including the week in

1 which the actual discharge occurred through the week prior to the week of  
2 the planned voluntary leaving date.

3 “(9)(a) For the purposes of subsection (2) of this section, an individual is  
4 considered to have committed a disqualifying act when the individual:

5 “(A) Fails to comply with the terms and conditions of a reasonable writ-  
6 ten policy established by the employer or through collective bargaining,  
7 which may include blanket, random, periodic and probable cause testing, that  
8 governs the use, sale, possession or effects of drugs, cannabis or alcohol in  
9 the workplace;

10 “(B) Fails or refuses to take a drug, cannabis or alcohol test as required  
11 by the employer’s reasonable written policy;

12 “(C) Refuses to cooperate with or subverts or attempts to subvert a drug,  
13 cannabis or alcohol testing process in any employment-related test required  
14 by the employer’s reasonable written policy, including but not limited to:

15 “(i) Refusal or failure to complete proper documentation that authorizes  
16 the test;

17 “(ii) Refusal or failure to sign a chain of custody form;

18 “(iii) Presentation of false identification;

19 “(iv) Placement of an adulterant in the individual’s specimen for testing,  
20 when the adulterant is identified by a testing facility; or

21 “(v) Interference with the accuracy of the test results by conduct that  
22 includes dilution or adulteration of a test specimen;

23 “(D) Is under the influence of intoxicants while performing services for  
24 the employer;

25 “(E) Possesses cannabis or a drug unlawfully or in violation of the  
26 employer’s reasonable written policy during work;

27 “(F) Tests positive for alcohol, cannabis or an unlawful drug in con-  
28 nection with employment; or

29 “(G) Refuses to enter into or violates the terms of a last chance agree-  
30 ment with the employer.

1 “(b)(A) Except as provided in subparagraph (B) of this paragraph, an in-  
2 dividual is not considered to have committed a disqualifying act under this  
3 subsection if the individual, on the date of separation or within 10 days after  
4 the date of separation, is participating in a recognized drug, cannabis or al-  
5 cohol rehabilitation program and provides documentation of participation in  
6 the program to the department.

7 “(B) This paragraph does not apply to an individual who has refused to  
8 enter into or has violated the terms of a last chance agreement with the  
9 employer.

10 “(c) It is no defense or excuse under this section that the individual’s  
11 separation resulted from alcohol use, cannabis use, unlawful drug use,  
12 alcoholism or addiction to cannabis or drugs.

13 “(d) The department shall adopt rules to carry out the provisions of this  
14 subsection.

15 “(10) For the purposes of subsection (2) of this section, an individual is  
16 considered to have committed a disqualifying act when the individual vol-  
17 untarily leaves work, fails to apply for available suitable work when referred  
18 by the employment office or the director or fails to accept suitable work  
19 when offered:

20 “(a) Because the employer has or introduces a reasonable written  
21 cannabis-free or drug-free workplace policy that is consistent with subsection  
22 (9)(a)(A) of this section;

23 “(b) Because the employer requires the employee to consent to present or  
24 future drug, cannabis or alcohol tests under a reasonable written policy that  
25 is consistent with subsection (9)(a)(A) of this section;

26 “(c) To avoid taking a drug, cannabis or alcohol test under a reasonable  
27 written policy that is consistent with subsection (9)(a)(A) of this section; or

28 “(d) To avoid meeting the requirements of a last chance agreement.

29 “(11) An individual may not be disqualified from receiving benefits under  
30 subsection (2)(c) of this section and shall be deemed laid off if the individual:

1 “(a) Works under a collective bargaining agreement;

2 “(b) Elects to be laid off when the employer has decided to lay off em-  
3 ployees; and

4 “(c) Is placed on the referral list under the collective bargaining agree-  
5 ment.

6 “(12) An individual may not be disqualified from receiving benefits under  
7 subsection (2)(c), (d) or (e) of this section or be considered unavailable for  
8 purposes of ORS 657.155 if:

9 “(a) The individual or a member of the individual’s immediate family is  
10 a victim of domestic violence, stalking, sexual assault or a bias crime, or the  
11 individual believes that the individual or a member of the individual’s im-  
12 mediate family could become a victim of domestic violence, stalking, sexual  
13 assault or a bias crime; and

14 “(b) The individual leaves work, fails to apply for available suitable work  
15 or fails to accept suitable work when offered in order to protect the indi-  
16 vidual or a member of the individual’s immediate family from domestic vi-  
17 olence, stalking, sexual assault or a bias crime that the individual  
18 reasonably believes will occur as a result of the individual’s continued em-  
19 ployment or acceptance of work.

20 “(13) For purposes of this section:

21 “(a) ‘Adulterant’ means a substance that does not occur naturally in  
22 urine, or that occurs naturally in urine but not at the concentrations de-  
23 tected. ‘Adulterant’ includes but is not limited to glutaraldehyde, nitrite  
24 concentrations above physiological levels, hypochlorite or soap.

25 “(b) ‘Bias crime’ means:

26 “(A) Conduct that, in the determination of the director, more likely than  
27 not constitutes a bias crime in the first degree described in ORS 166.165 or  
28 a bias crime in the second degree described in ORS 166.155; or

29 “(B) Similar conduct, as defined by the director by rule.

30 “(c) ‘Drug’ means a controlled substance as defined in ORS 475.005.

1 “(d) ‘Last chance agreement’ means a reasonable agreement:

2 “(A) Between an employer and an employee who has violated the  
3 employer’s reasonable written policy, has engaged in drug, cannabis or al-  
4cohol use connected with work or has admitted to alcohol abuse, cannabis  
5 abuse or unlawful drug use; and

6 “(B) That permits the employee to return to work under conditions that  
7 may require the employee to:

8 “(i) Abstain from alcohol use, cannabis use and unlawful drug use; and

9 “(ii) Attend and comply with the requirements of a rehabilitation or ed-  
10ucation program acceptable to the employer.

11 “(e) ‘Under the influence of intoxicants’ means the level of alcohol,  
12 cannabis or unlawful drugs present in an individual’s body exceeds the  
13 amount prescribed in a collective bargaining agreement or the amount pre-  
14scribed in the employer’s reasonable written policy if there is no applicable  
15 collective bargaining agreement provision.

16 **“SECTION 17.** ORS 657.176, as amended by section 16 of this 2025 Act,  
17 is amended to read:

18 “657.176. (1) An authorized representative designated by the Director of  
19 the Employment Department shall promptly examine each claim to determine  
20 whether an individual is subject to disqualification as a result of a sepa-  
21ration, termination, leaving, resignation or disciplinary suspension from  
22work, or as a result of failure to apply for or accept work, and shall promptly  
23enter a director’s decision if required by ORS 657.267. The authorized repre-  
24sentative may address issues raised by information before the authorized  
25representative, including but not limited to the nature of the separation,  
26notwithstanding the way the parties characterize those issues.

27 “(2) An individual shall be disqualified from the receipt of benefits until  
28 the individual has performed service in employment subject to this chapter  
29 or the equivalent law of another state or Canada or as defined in ORS  
30 657.030 (2) or as an employee of the federal government, for which

1 remuneration is received that equals or exceeds four times the individual's  
2 weekly benefit amount subsequent to the week in which the act causing the  
3 disqualification occurred, if the authorized representative designated by the  
4 director finds that the individual:

5       “(a) Has been discharged for misconduct connected with work;

6       “(b) Has been suspended from work for misconduct connected with work;

7       “(c) Voluntarily left work without good cause;

8       “(d) Failed without good cause to apply for available suitable work when  
9 referred by the employment office or the director;

10       “(e) Failed without good cause to accept suitable work when offered;

11       “(f) Has been discharged or suspended for being absent or tardy in re-  
12 porting to work and the absence or tardiness occurred as a result of the  
13 unlawful use of any drug unless the person was participating in a recognized  
14 drug rehabilitation program at the time of the absence or tardiness, or is so  
15 participating within 10 days after the date of the discharge or suspension,  
16 and the person provides to the Employment Department documentation of  
17 program participation. As used in this paragraph, ‘unlawful use’ does not  
18 include the use of a drug taken under the supervision of a licensed health  
19 care professional and in accordance with the prescribed directions for con-  
20 sumption, or other uses authorized by the laws of this state;

21       “(g) Has been discharged or suspended for being absent or tardy in re-  
22 porting to work and the absence or tardiness occurred as the result of the  
23 use of alcohol or cannabis on a second or any subsequent occasion within a  
24 period of 12 months unless the person was participating in a recognized al-  
25cohol or cannabis rehabilitation program at the time of the absence or  
26tardiness, or is so participating within 10 days after the date of the discharge  
27or suspension, and the person provides to the department documentation of  
28program participation; or

29       “(h) Has committed a disqualifying act described in subsection (9) or (10)  
30 of this section.



1 “(3) If the authorized representative designated by the director finds that  
2 an individual was discharged for misconduct because of the individual’s  
3 commission of a felony or theft in connection with the individual’s work, all  
4 benefit rights based on wages earned prior to the date of the discharge shall  
5 be canceled if the individual’s employer notifies the director of the discharge  
6 within 10 days following issuance of the notice provided for in ORS 657.265  
7 or 30 days following issuance of the notice provided for in ORS 657.266, and:

8 “(a) The individual has admitted commission of the felony or theft to an  
9 authorized representative of the director;

10 “(b) The individual has signed a written admission of the felony or theft  
11 and the written admission has been presented to an authorized representative  
12 of the director; or

13 “(c) The felony or theft has resulted in a conviction by a court of com-  
14 petent jurisdiction.

15 “(4) An individual disqualified under subsection (2) of this section shall  
16 have the individual’s maximum benefit amount reduced by eight times the  
17 individual’s weekly benefit amount. However, in no event shall the  
18 individual’s maximum benefit amount be reduced to less than the individual’s  
19 weekly benefit amount unless the individual has previously received benefits  
20 during the individual’s benefit year.

21 “(5) An individual may not be disqualified from receiving benefits under  
22 subsection (2)(c) or (e) of this section **or under ORS 657.200** if the individual  
23 ceases work or fails to accept work when a collective bargaining agreement  
24 between the individual’s bargaining unit and the individual’s employer is in  
25 effect and the employer unilaterally modifies the amount of wages payable  
26 under the agreement, in breach of the agreement.

27 “(6) For purposes of applying subsection (2) of this section, when an in-  
28 dividual has notified an employer that the individual will leave work on a  
29 specific date and it is determined that:

30 “(a) The separation would be for reasons that constitute good cause;

1       “(b) The individual voluntarily left work without good cause prior to the  
2 date of the impending good cause voluntary leaving date; and

3       “(c) The actual voluntary leaving of work occurred no more than 15 days  
4 prior to the planned date of voluntary leaving,

5  
6 then the separation from work shall be adjudicated as if the actual voluntary  
7 leaving had not occurred and the planned voluntary leaving had occurred.  
8 However, the individual shall be ineligible for benefits for the period in-  
9 cluding the week in which the actual voluntary leaving occurred through the  
10 week prior to the week of the planned good cause voluntary leaving date.

11       “(7) For purposes of applying subsection (2) of this section, when an em-  
12 ployer has notified an individual that the individual will be discharged on  
13 a specific date and it is determined that:

14       “(a) The discharge would not be for reasons that constitute misconduct  
15 connected with the work;

16       “(b) The individual voluntarily left work without good cause prior to the  
17 date of the impending discharge; and

18       “(c) The voluntary leaving of work occurred no more than 15 days prior  
19 to the date of the impending discharge,

20  
21 then the separation from work shall be adjudicated as if the voluntary  
22 leaving had not occurred and the discharge had occurred. However, the in-  
23 dividual shall be ineligible for benefits for the period including the week in  
24 which the voluntary leaving occurred through the week prior to the week in  
25 which the individual would have been discharged.

26       “(8) For purposes of applying subsection (2) of this section, when an in-  
27 dividual has notified an employer that the individual will leave work on a  
28 specific date and it is determined that:

29       “(a) The voluntary leaving would be for reasons that do not constitute  
30 good cause;

1 “(b) The employer discharged the individual, but not for misconduct con-  
2 nected with work, prior to the date of the planned voluntary leaving; and

3 “(c) The actual discharge occurred no more than 15 days prior to the  
4 planned voluntary leaving,

5  
6 then the separation from work shall be adjudicated as if the discharge had  
7 not occurred and the planned voluntary leaving had occurred. However, the  
8 individual shall be eligible for benefits for the period including the week in  
9 which the actual discharge occurred through the week prior to the week of  
10 the planned voluntary leaving date.

11 “(9)(a) For the purposes of subsection (2) of this section, an individual is  
12 considered to have committed a disqualifying act when the individual:

13 “(A) Fails to comply with the terms and conditions of a reasonable writ-  
14 ten policy established by the employer or through collective bargaining,  
15 which may include blanket, random, periodic and probable cause testing, that  
16 governs the use, sale, possession or effects of drugs, cannabis or alcohol in  
17 the workplace;

18 “(B) Fails or refuses to take a drug, cannabis or alcohol test as required  
19 by the employer’s reasonable written policy;

20 “(C) Refuses to cooperate with or subverts or attempts to subvert a drug,  
21 cannabis or alcohol testing process in any employment-related test required  
22 by the employer’s reasonable written policy, including but not limited to:

23 “(i) Refusal or failure to complete proper documentation that authorizes  
24 the test;

25 “(ii) Refusal or failure to sign a chain of custody form;

26 “(iii) Presentation of false identification;

27 “(iv) Placement of an adulterant in the individual’s specimen for testing,  
28 when the adulterant is identified by a testing facility; or

29 “(v) Interference with the accuracy of the test results by conduct that  
30 includes dilution or adulteration of a test specimen;

1 “(D) Is under the influence of intoxicants while performing services for  
2 the employer;

3 “(E) Possesses cannabis or a drug unlawfully or in violation of the  
4 employer’s reasonable written policy during work;

5 “(F) Tests positive for alcohol, cannabis or an unlawful drug in con-  
6 nection with employment; or

7 “(G) Refuses to enter into or violates the terms of a last chance agree-  
8 ment with the employer.

9 “(b)(A) Except as provided in subparagraph (B) of this paragraph, an in-  
10 dividual is not considered to have committed a disqualifying act under this  
11 subsection if the individual, on the date of separation or within 10 days after  
12 the date of separation, is participating in a recognized drug, cannabis or al-  
13 cohol rehabilitation program and provides documentation of participation in  
14 the program to the department.

15 “(B) This paragraph does not apply to an individual who has refused to  
16 enter into or has violated the terms of a last chance agreement with the  
17 employer.

18 “(c) It is no defense or excuse under this section that the individual’s  
19 separation resulted from alcohol use, cannabis use, unlawful drug use,  
20 alcoholism or addiction to cannabis or drugs.

21 “(d) The department shall adopt rules to carry out the provisions of this  
22 subsection.

23 “(10) For the purposes of subsection (2) of this section, an individual is  
24 considered to have committed a disqualifying act when the individual vol-  
25 untarily leaves work, fails to apply for available suitable work when referred  
26 by the employment office or the director or fails to accept suitable work  
27 when offered:

28 “(a) Because the employer has or introduces a reasonable written  
29 cannabis-free or drug-free workplace policy that is consistent with subsection  
30 (9)(a)(A) of this section;

1 “(b) Because the employer requires the employee to consent to present or  
2 future drug, cannabis or alcohol tests under a reasonable written policy that  
3 is consistent with subsection (9)(a)(A) of this section;

4 “(c) To avoid taking a drug, cannabis or alcohol test under a reasonable  
5 written policy that is consistent with subsection (9)(a)(A) of this section; or

6 “(d) To avoid meeting the requirements of a last chance agreement.

7 “(11) An individual may not be disqualified from receiving benefits under  
8 subsection (2)(c) of this section and shall be deemed laid off if the individual:

9 “(a) Works under a collective bargaining agreement;

10 “(b) Elects to be laid off when the employer has decided to lay off em-  
11 ployees; and

12 “(c) Is placed on the referral list under the collective bargaining agree-  
13 ment.

14 “(12) An individual may not be disqualified from receiving benefits under  
15 subsection (2)(c), (d) or (e) of this section or be considered unavailable for  
16 purposes of ORS 657.155 if:

17 “(a) The individual or a member of the individual’s immediate family is  
18 a victim of domestic violence, stalking, sexual assault or a bias crime, or the  
19 individual believes that the individual or a member of the individual’s im-  
20 mediate family could become a victim of domestic violence, stalking, sexual  
21 assault or a bias crime; and

22 “(b) The individual leaves work, fails to apply for available suitable work  
23 or fails to accept suitable work when offered in order to protect the indi-  
24 vidual or a member of the individual’s immediate family from domestic vi-  
25 olence, stalking, sexual assault or a bias crime that the individual  
26 reasonably believes will occur as a result of the individual’s continued em-  
27 ployment or acceptance of work.

28 “(13) For purposes of this section:

29 “(a) ‘Adulterant’ means a substance that does not occur naturally in  
30 urine, or that occurs naturally in urine but not at the concentrations de-

1 tected. ‘Adulterant’ includes but is not limited to glutaraldehyde, nitrite  
2 concentrations above physiological levels, hypochlorite or soap.

3 “(b) ‘Bias crime’ means:

4 “(A) Conduct that, in the determination of the director, more likely than  
5 not constitutes a bias crime in the first degree described in ORS 166.165 or  
6 a bias crime in the second degree described in ORS 166.155; or

7 “(B) Similar conduct, as defined by the director by rule.

8 “(c) ‘Drug’ means a controlled substance as defined in ORS 475.005.

9 “(d) ‘Last chance agreement’ means a reasonable agreement:

10 “(A) Between an employer and an employee who has violated the  
11 employer’s reasonable written policy, has engaged in drug, cannabis or al-  
12cohol use connected with work or has admitted to alcohol abuse, cannabis  
13 abuse or unlawful drug use; and

14 “(B) That permits the employee to return to work under conditions that  
15 may require the employee to:

16 “(i) Abstain from alcohol use, cannabis use and unlawful drug use; and

17 “(ii) Attend and comply with the requirements of a rehabilitation or ed-  
18ucation program acceptable to the employer.

19 “(e) ‘Under the influence of intoxicants’ means the level of alcohol,  
20 cannabis or unlawful drugs present in an individual’s body exceeds the  
21 amount prescribed in a collective bargaining agreement or the amount pre-  
22scribed in the employer’s reasonable written policy if there is no applicable  
23 collective bargaining agreement provision.

24 **“SECTION 18. The amendments to ORS 657.176 by section 17 of this**  
25 **2025 Act apply to weeks beginning on or after January 1, 2036.**

26 **“SECTION 19.** ORS 657.202 is amended to read:

27 “657.202. (1) As used in this section, ‘temporary lockout benefits’ means  
28 benefits payable as provided in this section to individuals who are unem-  
29ployed due to a lockout [*as defined in ORS 662.205*].

30 “(2) An individual is eligible to receive temporary lockout benefits for a

1 week in an amount equal to the weekly benefit amount of the individual's  
2 most recent unemployment benefit claim if:

3 “(a) Prior to the week, the individual has received all of the regular  
4 benefits that were available to the individual under this chapter;

5 “(b) The individual is not eligible for any other benefits, including bene-  
6 fits provided under any federal law extending benefits beyond those provided  
7 for as regular benefits; and

8 “(c) At the time of filing an initial or additional claim, the individual is  
9 unemployed due to a lockout at the individual's place of employment.

10 “(3) The maximum temporary lockout benefit amount an individual may  
11 receive under this section is 26 times the weekly benefit amount of the  
12 individual's most recent unemployment benefit claim.

13 “(4) Notwithstanding subsections (2) and (3) of this section, temporary  
14 lockout benefits otherwise payable to an individual under this section may  
15 not be paid for weeks that begin after the week in which the lockout ends.

16 “(5) An employer shall be charged for temporary lockout benefits in the  
17 manner provided in this chapter for charging employers for regular benefits.

18 **“SECTION 20.** ORS 657.400 is amended to read:

19 “657.400. (1) There is established in the State Treasury, separate and dis-  
20 tinct from the General Fund, the Employment Department Special Fraud  
21 Control Fund. The Employment Department Special Fraud Control Fund  
22 shall consist of moneys collected or received by the Employment Department  
23 as follows:

24 “(a) Interest and penalties described under ORS 657.310 [(7)(b)] **(8)(b)**.

25 “(b) All gifts to, interest on or profits earned by the Employment De-  
26 partment Special Fraud Control Fund.

27 “(2) The moneys in the Employment Department Special Fraud Control  
28 Fund are continuously appropriated to the Employment Department and may  
29 not be appropriated, transferred or otherwise made available to any other  
30 state agency.

1 “(3) All amounts in the Employment Department Special Fraud Control  
2 Fund shall be used for the following purposes, as included in the biennial  
3 budget of the Employment Department and approved by the Legislative As-  
4 sembly:

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

7 “(b) Costs associated with the Lost Wages Assistance program adminis-  
8 tered by the department pursuant to a grant agreement with the Federal  
9 Emergency Management Agency under authority established by the presi-  
10 dential memorandum issued on August 8, 2020, on the subject of Authorizing  
11 the Other Needs Assistance Program for Major Disaster Declarations Re-  
12 lated to Coronavirus Disease 2019; and

13 “(c) Administrative costs associated with other benefit programs admin-  
14 istered by the department.

15 “(4) If, under subsection (3)(b) of this section, the Employment Depart-  
16 ment uses any amounts for the purpose of reimbursing the Federal Emer-  
17 gency Management Agency for overpayments of benefits under the Lost  
18 Wages Assistance program:

19 “(a) Any amounts of overpayments collected from the debtor by the de-  
20 partment shall be deposited in the Employment Department Special Fraud  
21 Control Fund.

22 “(b)(A) The department may collect such overpayments under the pro-  
23 visions of this chapter as if the amounts were overpayments of regular ben-  
24 efits; or

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

28 **“SECTION 21. Section 22 of this 2025 Act is added to and made a**  
29 **part of ORS chapter 657.**

30 **“SECTION 22. The Director of the Employment Department shall**



1 submit an annual report, in the manner provided in ORS 192.245, to  
2 the interim committees of the Legislative Assembly related to em-  
3 ployment, that presents data on:

4 “(1) The incidence of strikes in this state before and after the ef-  
5 fective date of this 2025 Act;

6 “(2) For public employees and private employees stated separately:

7 “(a) The number of claims for benefits submitted by striking  
8 workers made eligible under ORS 657.200 (2)(b); and

9 “(b) The amount of benefits paid to claimants described in para-  
10 graph (a) of this subsection; and

11 “(3) Any other relevant matter the director considers important to  
12 include in the report.

13 “SECTION 23. Section 22 of this 2025 Act is repealed on January 2,  
14 2038.”.

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