

# Governor fires Oregon employment boss over delays

■ State's Employment Department now has a 10-week backlog

By Mike Rogoway  
The Oregonian/OregonLive

PORTLAND — Governor Kate Brown fired the head of the Oregon Employment Department on Sunday, responding to the department's long delays in delivering jobless benefits to out-of-work Oregonians and the agency's inability to communicate the status of workers' benefits claims.

"In the middle of this pandemic, the continued delays from the Oregon Employment Department in delivering unemployment insurance benefits to thousands of out-of-work Oregonians are unacceptable," Brown said in a statement. The governor said she had asked for and received the resignation of Kay Erickson, who had run the department since Brown appointed her in 2016.

"This is an unprecedented crisis, and the problems at the department demand an urgent response," Brown said. She appointed Erickson's deputy, David Gerstenfeld, to serve as

interim director, and said she expects "proactive communication with claimants" and a timeline for addressing the department's claims backlog.

The employment department struggled through a series of leadership crises in the years before Erickson took over. She steered the department through a period of relative calm afterwards, as the state's jobless rate fell to an all-time low of 3.3% and the agency had relatively few benefits claims.

When the pandemic hit, though, the employment department was quickly overwhelmed as more than 440,000 Oregonians filed for jobless benefits and the state's unemployment rate spiked to an all-time high, 14.2%.

The department, relying on an antiquated computer system from the 1990s, was unable to keep up with the volume of claims or adapt its technology to accommodate changes in the jobless program. Although Oregon received \$86 million federal funding for

a computer upgrade in 2009, and successive audits warned the department was unprepared for a spike in jobless claims, work replacing the computers isn't due to be complete until 2025.

Since the pandemic hit in

*"This is an unprecedented crisis, and the problems at the department demand an urgent response."*

Gov. Kate Brown

March, the department's phone lines have been hopelessly overloaded. For well over two months it has been impossible for the vast majority of laid-off workers to fix issues with their applications or to learn the status of their claims.

Most callers get only busy signals, and the few that get through spend an average of more than three hours on hold — and sometimes many hours longer. Even among those calls, though, fewer than half ever reach a claims processor.

The department said Saturday it has a 10-week backlog to fix complex claims that require adjudication, but did not say how

many claims are in that category. Thousands of claims have been pending for more than a month, though, and many workers say they have been waiting for benefits since March.

Mary Geddry is a freelance publisher and website designer in Coquille whose business cratered as the pandemic hit. She first applied for jobless benefits in March, when Congress expanded the unemployment benefits program to include self-employed workers like her, but has received no checks — or even confirmation of her claims status — from the state.

"I have no idea whether they're even receiving my weekly update. There's no way to check. There's absolutely no way to call. I mean, you can't get through," said Geddry, 64. She said she has credit card bills, a car payment and a mortgage payment and has been negotiating with the lenders to defer payments while she waits on her benefits.

"I honestly don't know what to expect or when to expect it. I'm like

a lot of other people," Geddry said. "I could be contributing to the local economy if I had any money."

For several weeks, as the employment department's problems mounted, Erickson refused successive requests for interviews to discuss the situation. She broke her silence Friday with a telephone press conference but was unable to tell reporters how much the department owes workers.

The state has paid out \$1.5 billion in jobless benefits since the middle of March, but at least 200,000 claims haven't been paid. The department acknowledged this week it has no clear idea how many people it owes money to.

The governor apologized for the department's lapses in April but had been silent on the subject since then as the crisis mounted. Members of the Legislature and Oregon's congressional delegation grew increasingly critical of the department as constituents flooded their offices with urgent calls over unpaid jobless claims.

Gerstenfeld, the newly appointed interim director, has been with the employment department since 2009 — most recently as director of the paid family and medical leave insurance division.

## DAILY PLANNER

### TODAY

Today is Tuesday, June 2, the 154th day of 2020. There are 212 days left in the year.

### TODAY'S HIGHLIGHT

On June 2, 1941, baseball's "Iron Horse," Lou Gehrig, died in New York of a degenerative disease, amyotrophic lateral sclerosis; he was 37.

### ON THIS DATE

In 1886, President Grover Cleveland, 49, married Frances Folsom, 21, in the Blue Room of the White House.

In 1897, Mark Twain was quoted by the New York Journal as saying from London that "the report of my death was an exaggeration." (Twain was responding to a report in the New York Herald that he was "grievously ill" and "possibly dying.")

In 1924, Congress passed, and President Calvin Coolidge signed, a measure guaranteeing full American citizenship for all Native Americans born within U.S. territorial limits.

In 1953, the coronation of Queen Elizabeth II took place in London's Westminster Abbey, 16 months after the death of her father, King George VI.

In 1966, U.S. space probe Surveyor 1 landed on the moon and began transmitting detailed photographs of the lunar surface.

In 1976, Arizona Republic investigative reporter Don Bolles was mortally wounded by a bomb planted underneath his car; he died 11 days later. (Prosecutors believed Bolles was targeted because he had written stories that upset a liquor wholesaler; three men were convicted of the killing.)

In 1979, Pope John Paul II arrived in his native Poland on the first visit by a pope to a Communist country.

In 1981, the Japanese video arcade game "Donkey Kong" was released by Nintendo.

In 1997, Timothy McVeigh was convicted of murder and conspiracy in the 1995 bombing of the Alfred P. Murrah Federal Building in Oklahoma City that killed 168 people. (McVeigh was executed in June 2001.)

### LOTTERY

**Megabucks:** \$2.1 million  
5-26-31-37-42-48

**Mega Millions:** \$356 million  
10-13-32-41-51-3 x2

**Powerball:** \$135 million  
13-32-41-58-60—PB-14 x2

**Win for Life:** May 30  
42-53-54-61

**Pick 4:** May 31

• 1 p.m.: 0-4-8-3

• 4 p.m.: 8-3-1-4

• 7 p.m.: 4-4-1-2

• 10 p.m.: 2-9-8-7

**Pick 4:** May 30

• 1 p.m.: 7-2-9-4

• 4 p.m.: 2-7-3-6

• 7 p.m.: 7-0-7-3

• 10 p.m.: 9-4-1-6

**Pick 4:** May 29

• 1 p.m.: 8-3-8-0

• 4 p.m.: 0-9-3-5

• 7 p.m.: 7-1-5-9

• 10 p.m.: 4-2-4-7

### DELIVERY ISSUES?

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### TODAY'S QUOTE

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— Elizabeth Bowen, Irish author (1899-1973)

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