

## HB 2290 STAFF MEASURE SUMMARY

### House Committee On Business and Labor

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**Action Date:** 01/30/23

**Action:** Do pass. Refer to Ways and Means.

**Vote:** 6-5-0-0

**Yeas:** 6 - Grayber, Holvey, Hudson, Nelson, Nosse, Sosa

**Nays:** 5 - Boshart Davis, Elmer, Osborne, Owens, Scharf

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Erin Seiler, LPRO Analyst

**Meeting Dates:** 1/18, 1/30

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#### WHAT THE MEASURE DOES:

Authorizes Department of Revenue (DOR) to disclose information to Oregon Employment Department (OED) for administering paid family and medical leave insurance program. Requires employers to report total amounts of employee contributions with payment to DOR and to report employee contributions annually. Includes program eligibility determination for purposes for which county supervisory authority must submit defendant information to Director of Employment Department. Becomes operative August 1, 2023. Declares emergency, effective on passage.

#### ISSUES DISCUSSED:

- Current ways Oregon Department of Revenue (DOR) partners with the Oregon Employment Department (OED) to administer combined payroll tax programs
- Minimizing number of filings for Oregon businesses
- Improving efficiency for administration of Unemployment Insurance and Paid Leave Oregon (Paid Leave) programs
- Ability to incorporate technology changes into modernized information technology system, Frances
- Improving ability of OED to detect misrepresentation or fraud
- Fiscal impact to OED
- Technical changes to Paid Leave program

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

Paid Leave Oregon (Paid Leave) provides employees with up to 12 weeks per year of paid leave for qualifying family, medical, or safe leave. On January 1, 2023, the Oregon Employment Department (OED) began collecting employer and employee contributions to the program and beginning September 3, 2023, employees can begin applying to utilize Paid Leave benefits.

House Bill 2290 aligns and expands certain state information disclosure laws between the Oregon Department of Revenue (DOR) and OED for the purpose of administering Paid Leave. The measure requires employers subject to Paid Leave to report the withholding of Paid Leave contributions on a federal form W-2 similar to the required annual reporting of amounts withheld for income taxes and Statewide Transit Tax. In addition, the measure authorizes DOR to share information related to the income of individuals to assist in OED's administration of Unemployment Insurance and Paid Leave programs.

Finally, the measure permits county jails in Oregon to report defendant information to OED for the purpose of administering Paid Leave program.