

HB 3022 STAFF MEASURE SUMMARY

House Committee On Labor and Workplace Standards

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Meeting Dates: 1/27, 2/3

WHAT THE MEASURE DOES:

Authorizes specific state agencies to disclose information to the Oregon Employment Department (OED) for the purpose of administering paid family and medical leave insurance and unemployment insurance (UI) programs.

Detailed Summary:

The measure authorizes the Department of Revenue (DOR), Department of Justice's (DOJ) Division of Child Support, and the Department of Corrections (DOC) and county jails to share specific information for the purpose of administering paid family and medical leave insurance (Paid Leave Oregon) and unemployment insurance (UI) programs. The measure allows OED to conduct joint audits with DOR of employers' combined quarterly payroll tax reports and share information; authorizes DOR to automatically share self-employed income information with OED; enables DOR to share income information reported by employers on Form W-2 and Form 1099 with OED; authorizes DOJ Division of Child Support to share information about employees recently hired in Oregon with Paid Leave Oregon; and allows DOC and county jails in Oregon to report defendant information to OED for the purpose of administering Paid Leave Oregon.

Applies to information disclosed and reports required on or after January 1, 2023. The measure takes effect on the 91st day after sine die.

Fiscal impact:

Revenue impact: No

ISSUES DISCUSSED:

- Purposes for sharing information with Oregon Employment Department
- How information impacts administration and oversight of Paid Leave Oregon
- Security of data
- Previous legislation
- Ability of Department of Revenue to implement measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The paid family and medical leave insurance program (Paid Leave Oregon) 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 on September 3, 2023, employees began utilizing Paid Leave Oregon benefits.

The Oregon Department of Revenue (DOR) partners with OED to administer combined payroll tax programs. The combined payroll tax programs allow Oregon businesses to report and pay business taxes administered by multiple agencies at the same time. Businesses remit payments to DOR and file quarterly returns with OED for all programs on the combined payroll tax return. These programs include unemployment insurance (UI) and Paid Leave Oregon. DOR and OED share combined payroll tax information so that both agencies have the data they need to administer their respective programs. Expanding the ability for agencies to share information will provide

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the ability to verify subject wages, expand the ability for the OED to access income information for self-employed people that choose to enroll in the Paid Leave Oregon program, and the ability to perform joint audits with UI and Paid Leave Oregon.

PRELIMINARY