

HB 3021 A STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 4/15, 4/17

WHAT THE MEASURE DOES:

The measure amends the Oregon Employment Department's (OED) general administrative statutes and updates terminology. Takes effect on the 91st day following adjournment sine die.

Detailed Summary:

Clarifies that the Director of the Oregon Employment Department (OED) is responsible for determining all questions of general policy related to Paid Leave Oregon laws that OED administers. Removes providing “child care advocacy, coordination of child care policy and planning, and related support services for child care providers” as one of OED's responsibilities. Replaces the Child Care Fund with the Paid Leave Oregon Trust Fund as a potential source of compensation for the salary of the Director. Establishes that any future changes in law to ORS chapter 657 that do not conform with federal law will not have any force or effect. Updates terminology. Amendments to ORS 657.610 become operative January 1, 2026. Takes effect on the 91st day following adjournment sine die.

REVENUE: No revenue impact

FISCAL: Has minimal fiscal impact

ISSUES DISCUSSED:

- Impetus for measure
- Alignment of administration of Paid Leave Oregon and Unemployment Insurance programs

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

House Bill 3021 A updates ORS chapters 657 and 657B to align existing practices and procedures with changes in law.

In 2019, the Legislative Assembly established the paid family and medical leave insurance program (Paid Leave Oregon) and charged the Oregon Employment Department (OED) with its implementation and administration. The measure updates OED administrative statutes to include Paid Leave Oregon as a program that the agency has general rulemaking, administrative, and enforcement responsibilities over.

The agency had been responsible for the coordination of child care policy and planning, technical assistance to child care providers, and certification of child care facilities. These responsibilities were moved from OED to the Early Learning Division in the Oregon Department of Education in 2013. In 2023, all child care programs and early care and education programs were consolidated at the Department of Early Learning and Care (DELIC), including programs once administered by OED. The measure repeals the statutes related to child care.

Oregon's unemployment insurance (UI) laws must conform with federal law. Failure to conform with federal law could result in employers having to pay more UI taxes and result in loss of federal funding to administer the UI program. There are times when legislation to change ORS chapter 657 is introduced without considering conformity with federal law. This measure removes the need to include conforming language in future UI

legislation and protects against adverse effects if any changes in law are determined to be non-conforming.

PRELIMINARY