

HOUSE AMENDMENTS TO HOUSE BILL 2236

By COMMITTEE ON LABOR AND WORKPLACE STANDARDS

April 15

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the line and delete lines 3
2 and 4 and insert “657.010; and prescribing an effective date.”.

3 Deletes lines 6 through 25 and delete pages 2 through 9 and insert:

4 “**SECTION 1.** ORS 657.010, as amended by section 28, chapter 75, Oregon Laws 2024, is
5 amended to read:

6 “657.010. As used in this chapter, unless the context requires otherwise:

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

9 “(2) ‘Benefits’ means the money allowances payable to unemployed persons under this chapter.

10 “(3) ‘Benefit year’ means a period of 52 consecutive weeks commencing with the first week with
11 respect to which an individual files an initial valid claim for benefits, and thereafter the 52 consec-
12 utive weeks period beginning with the first week with respect to which the individual next files an
13 initial valid claim after the termination of the individual’s last preceding benefit year except that
14 the benefit year shall be 53 weeks if the filing of an initial valid claim would result in overlapping
15 any quarter of the base year of a previously filed initial valid claim.

16 “(4) ‘Calendar quarter’ means the period of three consecutive calendar months ending on March
17 31, June 30, September 30 or December 31, or the approximate equivalent thereof, as the Director
18 of the Employment Department may, by rule, prescribe.

19 “(5) ‘Client employer’ means an employer that enters into an agreement with a worker
20 leasing company for the furnishing of workers.

21 “[~~(5)~~] (6) ‘Contribution’ or ‘contributions’ means [*the taxes that are*] the money payments required
22 by this chapter, or voluntary payments permitted, to be made to the Unemployment Compensation
23 Trust Fund.

24 “[~~(6)~~] (7) ‘Educational institution,’ including an institution of higher education, means an insti-
25 tution:

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

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

32 “(c) In which the course or courses of study or training that it offers may be academic, techni-
33 cal, trade or preparation for gainful employment in a recognized occupation; and

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

1 “[(7)] (8) ‘Employment office’ means a free public employment office or branch thereof, operated
2 by this state or maintained as a part of a state-controlled system of public employment offices.

3 “(9) **‘Furnished employee’ means a worker who is furnished to a client employer under**
4 **an agreement entered into with a worker leasing company.**

5 “[(8)] (10) ‘Hospital’ has the meaning given that term in ORS 442.015.

6 “[(9)] (11) ‘Institution of higher education’ means an educational institution that:

7 “(a) Admits as regular students only individuals having a certificate of graduation from a high
8 school, or the recognized equivalent of such a certificate;

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

10 “(c) Provides an educational program for which it awards a bachelor’s or higher degree, or
11 provides a program that is acceptable for full credit toward such a degree, a program of post-
12 graduate or post-doctoral studies, or a program of training to prepare students for gainful employ-
13 ment in a recognized occupation; and

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

15 “[(10)] (12) ‘Instructional capacity’ does not include services performed as an instructional as-
16 sistant as defined in ORS 342.120.

17 “[(11)] (13) ‘Internal Revenue Code’ means the federal Internal Revenue Code, as amended and
18 in effect on December 31, 2023.

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

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

27 “[(14)] (16) ‘Taxes’ means **contributions** *[the money payments to the Unemployment Compensation*
28 *Trust Fund required, or voluntary payments permitted, by this chapter].*

29 “[(15)] (17) ‘Valid claim’ means any claim for benefits made in accordance with ORS 657.260 if
30 the individual meets the wages-paid-for-employment requirements of ORS 657.150.

31 “[(16)] (18) ‘Week’ means any period of seven consecutive calendar days ending at midnight, as
32 the director may prescribe by rule.

33 “(19) **‘Worker leasing company’ means a person required to be licensed under ORS**
34 **656.855.**

35 “**SECTION 2. Sections 3 and 4 of this 2025 Act are added to and made a part of ORS**
36 **chapter 657.**

37 “**SECTION 3. (1)(a) Notwithstanding any other provision of this chapter, during the term**
38 **of the agreement under which a worker leasing company furnishes employees to a client**
39 **employer, the worker leasing company shall elect to treat the employees so furnished as ei-**
40 **ther employees of:**

41 “(A) **The worker leasing company; or**

42 “(B) **The client employer.**

43 “(b) **Notwithstanding any other provision of law, if a worker leasing company elects to**
44 **treat a furnished employee as its own employee under paragraph (a) of this subsection, such**
45 **treatment shall be limited to the payroll tax reporting provisions of this chapter.**

1 “(c)(A) Benefits based on the wages of the furnished employees reported in accordance
2 with paragraph (a)(A) of this subsection shall be charged, in accordance with ORS 657.471,
3 to the worker leasing company and not to the client employer.

4 “(B) Benefits based on the wages of the furnished employees reported in accordance with
5 paragraph (a)(B) of this subsection shall be charged, in accordance with ORS 657.471, to each
6 respective client employer and not to the worker leasing company.

7 “(2) For purposes of determining wages in excess of the taxable wage base under ORS
8 657.095, any remuneration covered by this chapter that is paid by a client employer or a
9 worker leasing company to an individual during a calendar year shall be included in payroll
10 for both the client employer and the worker leasing company.

11 “(3)(a) A worker leasing company shall notify the Director of the Employment Depart-
12 ment in writing of its election of a reporting method under subsection (1)(a) of this section.

13 “(b)(A) A worker leasing company electing the reporting method under subsection
14 (1)(a)(B) of this section shall produce all documentation and information requested by the
15 director within 60 days after submitting the written notice.

16 “(B) If the worker leasing company has not complied with a request under subparagraph
17 (A) of this paragraph on or before the end of the 60-day period, the worker leasing company
18 shall use the reporting method described in subsection (1)(a)(A) of this section.

19 “(4)(a) After an initial election of treatment under subsection (1)(a) of this section, a
20 worker leasing company may change its election by written notice to the director.

21 “(b) Such subsequent change of election:

22 “(A) Shall become effective in the calendar year following the year in which the written
23 notice is received by the director; and

24 “(B) May not be changed again for two calendar years following the effective date of the
25 change.

26 “SECTION 4. A worker leasing company’s election of its treatment of furnished employ-
27 ees under section 3 (1) of this 2025 Act made during the first 120 days following the effective
28 date of this 2025 Act:

29 “(1) Becomes effective as of the first day of the calendar quarter in which the election
30 is made.

31 “(2) Does not count toward the limit on subsequent changes of election under section 3
32 (4) of this 2025 Act.

33 “SECTION 5. Section 4 of this 2025 Act is repealed on January 2, 2027.

34 “SECTION 6. This 2025 Act takes effect on the 91st day after the date on which the 2025
35 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.
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