

HB 2236-2
(LC 1061)
3/28/25 (ASD/ps)

Requested by Representative BOSHART DAVIS

**PROPOSED AMENDMENTS TO
HOUSE BILL 2236**

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

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

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

7 “657.010. As used in this chapter, unless the context requires otherwise:

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

10 “(2) ‘Benefits’ means the money allowances payable to unemployed per-
11 sons under this chapter.

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

20 “(4) ‘Calendar quarter’ means the period of three consecutive calendar
21 months ending on March 31, June 30, September 30 or December 31, or the

1 approximate equivalent thereof, as the Director of the Employment Depart-
2 ment may, by rule, prescribe.

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

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

9 “[6] (7) ‘Educational institution,’ including an institution of higher ed-
10 ucation, means an institution:

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

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

19 “(c) In which the course or courses of study or training that it offers may
20 be academic, technical, trade or preparation for gainful employment in a re-
21 cognized occupation; and

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

24 “[7] (8) ‘Employment office’ means a free public employment office or
25 branch thereof, operated by this state or maintained as a part of a state-
26 controlled system of public employment offices.

27 **“(9) ‘Furnished employee’ means a worker who is furnished to a**
28 **client employer under an agreement entered into with a worker leas-**
29 **ing company.**

30 “[8] (10) ‘Hospital’ has the meaning given that term in ORS 442.015.

1 “[9] (11) ‘Institution of higher education’ means an educational institu-
2 tion that:

3 “(a) Admits as regular students only individuals having a certificate of
4 graduation from a high school, or the recognized equivalent of such a cer-
5 tificate;

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

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

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

14 “[10] (12) ‘Instructional capacity’ does not include services performed
15 as an instructional assistant as defined in ORS 342.120.

16 “[11] (13) ‘Internal Revenue Code’ means the federal Internal Revenue
17 Code, as amended and in effect on December 31, 2023.

18 “[12] (14) ‘Nonprofit employing unit’ means an organization, or group
19 of organizations, described in section 501(c)(3) of the Internal Revenue Code
20 that is exempt from income tax under section 501(a) of the Internal Revenue
21 Code.

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

28 “[14] (16) ‘Taxes’ means **contributions** [*the money payments to the Un-*
29 *employment Compensation Trust Fund required, or voluntary payments per-*
30 *mitted, by this chapter*].

1 “[~~(15)~~] (17) ‘Valid claim’ means any claim for benefits made in accordance
2 with ORS 657.260 if the individual meets the wages-paid-for-employment re-
3 quirements of ORS 657.150.

4 “[~~(16)~~] (18) ‘Week’ means any period of seven consecutive calendar days
5 ending at midnight, as the director may prescribe by rule.

6 **“(19) ‘Worker leasing company’ means a person required to be li-
7 censed under ORS 656.855.**

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

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

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

16 **“(B) The client employer.**

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

21 **“(c)(A) Benefits based on the wages of the furnished employees re-
22 ported in accordance with paragraph (a)(A) of this subsection shall be
23 charged, in accordance with ORS 657.471, to the worker leasing com-
24 pany and not to the client employer.**

25 **“(B) Benefits based on the wages of the furnished employees re-
26 ported in accordance with paragraph (a)(B) of this subsection shall be
27 charged, in accordance with ORS 657.471, to each respective client
28 employer and not to the worker leasing company.**

29 **“(2)(a) Notwithstanding any other provision of this chapter, any
30 change of treatment of furnished employees under subsection (1)(a)**

1 of this section shall be treated as a transfer of a trade or business
2 under ORS 657.480.

3 “(b) Notwithstanding paragraph (a) of this subsection, such a
4 transfer is not subject to the prohibitions and penalties imposed under
5 ORS 657.480 (3).

6 “(3) Any remuneration covered by this chapter that is paid by a
7 client employer or a worker leasing company to an individual during
8 a calendar year shall be included in payroll for both the client em-
9 ployer and the worker leasing company.

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

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

17 “(B) If the worker leasing company has not complied with a request
18 under subparagraph (A) of this paragraph on or before the end of the
19 60-day period, the worker leasing company shall use the reporting
20 method described in subsection (1)(a)(A) of this section.

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

24 “(b) Such subsequent change of election:

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

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

29 “SECTION 4. A worker leasing company’s election of its treatment
30 of furnished employees under section 3 (1) of this 2025 Act made during

1 **the first 120 days following the effective date of this 2025 Act:**

2 **“(1) Becomes effective as of the first day of the calendar quarter in**
3 **which the election is made.**

4 **“(2) Does not count toward the limit on subsequent changes of**
5 **election under section 3 (5) of this 2025 Act.**

6 **“SECTION 5. Section 4 of this 2025 Act is repealed on January 2,**
7 **2027.**

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

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