

Senate Committee on Labor and Business

January 20, 2025

SB 858 – Paid Leave Oregon Various Changes & Technical Corrections**Summary**

SB 858 would improve and simplify Paid Leave Oregon’s services for workers and their employers and would further align the Paid Leave Oregon and Unemployment Insurance programs. The Oregon Employment Department (OED) has worked closely with our Advisory Committee for the requests found in this bill.

SB 858 touches on several different policy areas within the Paid Leave Oregon program – benefits, appeals, and equivalent plans – to provide clarification and assist OED in administering the program more efficiently. Below is a summary of what is proposed in each policy area:

Paid Leave Oregon Benefits

- SB 858 clarifies that a covered individual does not qualify for Paid Leave Oregon benefits when receiving benefits under **any** state or federal law that provides wage-replacing unemployment compensation.
- Clarifies that if a covered and qualifying individual becomes incapacitated or dies before applying for Paid Leave Oregon benefits, their application or other necessary information can be provided by another person.
- Allows OED to provide information about a Paid Leave Oregon benefit claim, as necessary to pay benefits, to a person it has found represents the claimant when the claimant is incapacitated or has died.

Appeals

- Aligns Paid Leave Oregon with the Unemployment Insurance program by clarifying that OED, employers, and employees can be represented by non-attorneys at the Office of Administrative Hearings when participating in appeals of Paid Leave Oregon decisions.

Equivalent Plans

- Clarifies that contributions must be paid to OED for any quarters before the approval date of the equivalent plan.

As introduced, SB 858 also includes a provision to clarify what OED must do if the Paid Leave Oregon Trust Fund runs low on funds. However, provisions already exist under state law which provide options for the agency to pursue if the solvency of the trust fund is at risk. Therefore, upon further consideration, OED has sought an amendment to remove this provision from the bill.

Without this bill:

- People may not receive benefits they qualify for if they become incapacitated or die before their application is complete.
- Employers will lack clarity on when equivalent plan contributions are due.
- Individuals may be treated differently depending on what type of unemployment insurance they receive.
- Appeals will be unnecessarily costly to claimants and the trust fund as individuals have to be represented by attorneys for every hearing.

OED does not anticipate there will be much, if any, fiscal impact created by this bill. OED believes the only potential impact SB 858 could create is an indeterminate fiscal impact as we don't know how many additional Paid Leave Oregon applications we may receive or deny based on the applicant's receipt of unemployment benefits. It is also very difficult to predict how many more applications we may receive from Oregonians who become incapacitated or deceased. However, we believe whatever this impact may be, it would still be negligible to the trust fund.

For more information about this testimony, contact [OED Legislative Affairs@employ.oregon.gov](mailto:OED_Legislative_Affairs@employ.oregon.gov).