

HB 3021 – OED Housekeeping Updates

Summary

The Oregon’s Employment Department is seeking support for the passage of House Bill (HB) 3021. HB 3021 is one of several bills OED is pursuing in the 2025 Legislative Session to align administration of our programs. It makes some simple housekeeping updates under the two chapters of law we administer, Oregon Revised Statutes (ORS) chapters 657 and 657B. The majority of the proposed changes are adjustments which align our existing practices and procedures with previous changes in law. The proposed updates will:

1. **Replace outdated references to Divisions within OED**

This change will: Remove providing “child care advocacy, coordination of child care policy and planning, and related support services for child care providers” from the list of the Department’s responsibilities and replace it with administering the Paid Leave Oregon program.

We are asking for this because: Oregon’s Office of Child Care was moved from the Employment Department to the Early Learning Division in the Department of Education via HB 3234 in 2013 (but is now part of the Department of Early Learning and Care) and the Paid Leave Oregon Division was created via HB 2005 in 2019.

2. **Clarify Responsibilities for OED’s Director**

This change will: Specify that the Director is responsible for determining all questions of general policy, and prescribing the time, place, and manner of making claims under the Paid Leave Oregon laws in ORS chapter 657B, just as s/he is for other programs OED administers.

3. **Clarify Source of Funding for OED’s Director**

This change will: Replace the Child Care Fund as a potential source of compensation for the salary of the Director with the Paid Leave Oregon Trust Fund.

We are asking for Changes 2 and 3 because: When Paid Leave Oregon was created in 2019 via HB 2005, not all the relevant laws under ORS chapter 657 were updated.

4. Make language about OED's Advisory Council more inclusive

This change will: Replace “men and women” with “people” in the composition of the Employment Department’s Advisory Council.

We are asking for this because: The gender of individuals who comprise the Advisory Council does not need to be specified.

5. Updating outdated terminology

This change will: Update the term in the law which defines who is considered an employee for the purpose of administering the UI program from “aliens” to “noncitizens.”

We are asking for this because: In 2022, the Legislature passed Senate Bill 1560 to update references to the term “alien” to the term “noncitizen” to laws under ORS chapter 657 and other state laws, but “aliens” was not updated.

6. Reduce risk of negative impacts due to future changes in UI law

This change will: Permanently establish under ORS chapter 657 that any future changes in law to the chapter which don’t conform with federal law will not have any force or effect.

We are asking for this because: Oregon’s UI laws must conform with federal law or employers could have to pay more in federal UI taxes and the state could lose federal funding to administer the UI program. Proposed pieces of legislation to change ORS chapter 657 are sometimes introduced without consideration of the risk to conformity with federal law. This change would remove the need to include this type of language in proposed UI legislation and protects Oregon from any adverse effects in the case any changes in law are later determined to be non-conforming.

We ask you to support HB 3021 because it improves OED’s administration of our programs, uses more inclusive language, and reduces risk. All the proposed changes included as part of HB 3021 are consistent with how OED is already administering our programs, and do not create any fiscal impact.

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