



Oregon

Kate Brown, Governor

Employment Department

875 Union St NE
Salem, Oregon 97311
(503) 947-1394
TTY-TDD

www.Employment.Oregon.gov



January 15, 2020

The Honorable Senator Betsy Johnson, Co-Chair
The Honorable Senator Elizabeth Steiner, Co-Chair
The Honorable Representative Dan Rayfield, Co-Chair
Joint Interim Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, Oregon 97301-4048

Dear Co-Chairs:

Nature of the Emergency/Request

The Legislative Assembly passed House Bill 2005 in the 2019 Regular Session creating a paid family and medical leave insurance program in Oregon. The program provides employees with compensated time off from work to care for and bond with a child during the first year of the child's birth or arrival through adoption or foster care, to provide care for a family member who has a serious health condition, to recover from employees own serious health condition, and to take leave related to domestic violence, stalking, sexual assault or harassment, known as safe leave.

House Bill 2005 included the following budget note requesting the Oregon Employment Department (agency) to provide a report to the Legislature:

To ensure the successful planning, management, and implementation of the Family and Medical Leave Insurance (FAMLI) [*sic*] program, the Employment Department is directed to conduct a risk assessment of its capacity to plan, manage and implement multiple major IT projects simultaneously, and report back to the Legislature prior to the 2020 legislative session on risk assessment findings and potential strategies – including changes to anticipated implementation timelines – to meet the objectives of both the FAMLI project, and the unemployment insurance tax system modernization project.

In addition, the agency has been asked by the Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development to present a status update on the Paid Family and Medical Leave Insurance program (PFMLI) during the February 2020 Legislative Session. In the status update to the Subcommittee, the agency will include a report on progress of the risk assessment for implementing the agency's modernization projects and the planning and implementation of the PFMLI program as requested by the budget note.



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Agency Action

The agency has initiated work with a vendor to conduct the risk assessment of managing and implementing both our Unemployment Insurance Modernization Project and the PFMLI program. Although we do not anticipate the risk assessment will be completed by the date of our scheduled February update, the agency will provide a progress update to the Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development as of the date of our requested appearance before the Subcommittee.

Action Requested

The Oregon Employment Department requests acceptance of this update.

Legislation Affected

None

Sincerely,

A handwritten signature in black ink that reads "Kay Erickson" with a long horizontal flourish extending to the right.

Kay Erickson
Director, Oregon Employment Department

cc: Ken Rocco, Legislative Fiscal Office
Michelle Deister, Legislative Fiscal Office
Sean McSpaden, Legislative Fiscal Office
George Naughton, DAS Chief Financial Office
Tamara Brickman, DAS Chief Financial Office