

## Background

Senate Bill 881 A-engrossed proposes to modify Paid Leave Oregon employer contributions made by worker leasing companies. The Paid Leave Oregon program is administered by the Oregon Employment Department.

This bill includes provisions for worker leasing companies to amend previously filed employer combined quarterly reports and receive refunds for contributions paid that would no longer be required if the bill becomes law.

By interagency agreement, Oregon Employment Department (OED) processes combined quarterly reports filed by employers. Oregon Department of Revenue (DOR) receives payments for employee withholding and employer paid payroll taxes reported on combined quarterly reports, and then transfers those funds to the appropriate agency (OED for Paid Leave Oregon).

## Refunds (-A4 amendment)

Senate Bill 881 A-engrossed currently directs the Department of Revenue to issue refunds to worker leasing companies who amend previously filed combined quarterly reports to reduce employer required contributions as afforded by this bill.

However, DOR does not retain employer or employee contribution amounts for the Paid Leave Oregon program and therefore is unable to return the funds to the taxpayer.

The -A4 amendment authorizes the Employment Department to issue refunds to worker leasing companies, since they will have the Paid Leave Oregon funds.

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