

Paid Leave Oregon lets employees take paid time off during life’s most important moments. Since launching benefit payments in September 2023, Paid Leave has made substantial progress in delivering on its promise to ensure working Oregonians have the time and support they need to care for themselves and their loved ones.

Since the start of the program, Paid Leave has seen a steady increase in claim volumes, which have caused delays and impacted both program efficiency and customer experience. For example, our goal is to process 80 percent of applications within 21 days. However, in November 2025 we only met this goal for 49 percent of applications.

While we have implemented several process and system improvements to manage rising claim volumes, these efforts alone are not sufficient to close the gap between current performance and our long-term goals. A key challenge has been the limited availability of Frances system development hours and competition for those hours from across the Oregon Employment Department (OED).

Budget and Staffing Request

OED is requesting an increase in Paid Leave program budget authority and staffing limitation to buy additional system development hours and hire temporary staff to implement critical system enhancements.

Specifically, OED has identified the following high-impact projects it wishes to implement in 2026 and 2027 that are essential to **improving efficiency, reducing processing times, and ensuring a sustainable, customer-focused system.**

Project	Benefits
Create Health Care Provider Interface	<ul style="list-style-type: none">• Streamline the verification and decision process for claimants• Support some automatic claim processing
Streamline Application Process	<ul style="list-style-type: none">• Allow claimants to provide all required information and documentation in one step• Improved clarity of decision letters

	<ul style="list-style-type: none"> Improved functionality on claim tasks to minimize back and forth communication with customers
Strengthen Fraud Investigation & ID Verification	<ul style="list-style-type: none"> Stronger fraud prevention Secure benefit payments

These projects would require the following additional resources:

Funds requested	Purpose
\$1,025,000	~5,000 system development hours
\$1,964,139	11 Limited Duration positions (6.42 FTE)
Total \$2,989,139	Other Funds limitation increase

Trust Fund Impact

The funds for these requests will come out of *Other Funds*¹ in the Paid Leave trust fund. The trust fund currently has about 8.1 months in reserve for projected expenditures, and there is a statutory requirement to maintain at least 6 months in reserve. If approved, this request would reduce the reserve by 0.04 months.

Questions? Please contact [OED Legislative Affairs@employ.oregon.gov](mailto:OED_Legislative_Affairs@employ.oregon.gov)

¹ Paid Leave Oregon's Legislatively Adopted Budget for the 2025-27 biennium includes:
 \$109,427,132- Other Funds
 \$1,808,568,759 Other Funds Non-Limited benefit compensation