

Agency Overview

Oregon established the Oregon State Employment Service with the passage of the Social Security Act of 1935. That act authorized the U.S. government to levy a payroll tax on employers to fund state-run unemployment insurance programs. The Legislative Assembly created the Oregon Employment Department (OED), as it exists today, in 1993.

OED strives to promote employment in Oregon by developing a diversified, multi-skilled workforce and by providing support during periods of unemployment. OED's mission is to help create an Oregon where meaningful work enables the state's diverse people and businesses to realize their full potential, creating prosperity in every community. The department serves job seekers and employers through 59 offices across the state – helping workers find suitable employment, providing qualified applicants for employers, supplying statewide and local labor market information, and providing unemployment insurance benefits to workers.

The department operates four core programs through the following divisions:

- Unemployment Insurance
- Workforce Operations

- Workforce and Economic Research
- Paid Leave Oregon

Overall agency leadership is provided by the OED Director's Office. Core programs are supported by the following sections:

- Administrative Business Services
- Communications
- Equity and Inclusion
- Human Resources

- Information Technology
- Legislative Affairs
- Modernization Program

Unemployment Insurance Division

Unemployment Insurance (UI) is OED's largest division. Unemployment Insurance supports economic stability for Oregonians and communities by providing unemployment insurance benefits to workers. Unemployment insurance benefits are partial income replacement when workers become unemployed through no fault of their own and if they meet certain eligibility requirements. The purpose of unemployment insurance is to support workers who have lost their jobs and to soften the impact of job losses on communities.

OED administers all state and federal unemployment insurance programs in Oregon. The UI division is responsible for determining the eligibility of filed claims, preventing and detecting fraud, and paying benefits to eligible customers in an accurate and timely manner. The Contributions and Recovery unit is responsible for collecting employer taxes to fund the program. Oregon's unemployment insurance program:



- Helps maintain purchasing power in communities where workers have been laid off and helps prevent secondary unemployment of workers who provide goods and services.
- Helps keep the skilled labor force in the locality. For workers, it means they may receive partial wage replacement income until they become re-employed. For employers, it means they maintain access to a more qualified workforce.
- Softens economic slowdowns. Since the program was created, the U.S. has
 experienced several major economic recessions. Unemployment insurance is
 important in recession recovery because it helps prevent sharp drops in consumer
 spending. It is an important tool in preventing possible full-scale economic
 depressions.

You can learn more about the Unemployment Insurance Program at <u>unemployment.oregon.gov</u>.

Workforce Operations Division

OED's Workforce Operations division is the public partner in WorkSource Oregon that manages the connection of job seekers to employers, coordinates with other state agency partners that serve common customers, and operates most WorkSource Oregon facilities across the state.

WorkSource Oregon is a network of public and private partners who work together to respond to workforce challenges by providing high-quality services to individuals and businesses to achieve job attainment, retention, and advancement. Partners include: the Oregon Department of Corrections, Local Workforce Development Boards, the Oregon Youth Authority, Vocational Rehabilitation, the Oregon Bureau of Labor and Industries, the Higher Education Coordinating Commission, the Oregon Department of Human Services, and the Oregon Commission for the Blind.

OED's Workforce Operations division also implements several key federal programs: the Migrant and Seasonal Farmworker program, foreign labor certification, connection to apprenticeships, veteran programs, Oregon's Trade Act program, the Reemployment Services and Eligibility Assessments (RESEA) program, the Supplemental Nutrition Assistance Program (SNAP), and the Work Opportunity Tax Credit.

The Workforce Operations division is essential to Oregon's economy and to ensuring Oregonians can access the full range of programs at their disposal.

You can learn more about WorkSource Oregon at <u>worksourceoregon.org</u> and <u>www.oregon.gov/employ/jobseekers/Pages/default.aspx</u>.

Workforce and Economic Research Division

OED's Workforce and Economic Research division collects, analyzes, publishes and distributes employment-related data for a variety of audiences, including elected officials, state agencies, job seekers, media outlets, businesses and educational institutions.



The division is spread across Oregon: Its employees live and work throughout the state, which allows researchers to compile and analyze workforce and economic data as it affects specific communities—particularly communities of color, workers with disabilities, and veterans.

The Workforce and Economic Research division's impact is far-reaching. In 2023 alone:

- The division distributed over 500,000 reports, publications and newsletters.
- There were more 350,000 visits to QualityInfo.org, including over 1.75 million page views.
- More than 660,000 links to articles and publications were sent to over 3,800 email subscribers.
- There were approximately 5,500 attendees at 148 presentations.
- The division fulfilled over 2,100 information and data requests.
- More than 773,000 publications from the division were accessed on our website.

The Workforce and Economic Research division's work helps to ensure that quality workforce and economic information can inform policy decisions, media stories and community investments, to the benefit of all Oregonians.

You can dive further into the data at QualityInfo.org.

Paid Leave Oregon

On August 9, 2019, Gov. Kate Brown signed House Bill (HB) 2005 into law, creating a paid family and medical leave insurance program in Oregon, to be administered by OED. This was the culmination of several years of a dedicated effort, including a bipartisan, bicameral, legislative workgroup that considered many aspects of this complex issue.

Paid Leave Oregon gives people who work, own businesses, or run organizations in Oregon easy access to Paid Leave Oregon benefits so they have the support, resources, and peace of mind when it matters most. In the short term, the program will provide an important safety net for working Oregonians who need to take leave for a qualifying event. In the long term, Paid Leave Oregon also will increase economic security; improve access to paid time off; promote child development; reduce employee turnover; and promote long-term employee retention, productivity, and morale.

Paid Leave Oregon is 100% funded by the Paid Leave Oregon Trust Fund. All employers with at least one employee working in Oregon (excluding Tribal and federal governments) participate, unless they choose to offer an equivalent plan. Self-employed people and tribal governments can choose coverage if they want to participate. Employers who choose equivalent plans must apply to OED for plan approval, and the plan must provide benefits that are equal to or greater than what employees would receive through Paid Leave Oregon. Employers offering equivalent plans also must report wages and plan details but don't have to pay contributions to Paid Leave Oregon.

Employers and employees started paying contributions on Jan. 1, 2023. All eligible employers and employees must contribute to the Paid Leave Oregon Trust Fund through a payroll contribution. The total contribution rate is set annually, and it cannot exceed 1%



of employee wages. Large employers (25 or more employees on average) pay 40% of the total contribution rate and employees pay 60%. Employers with fewer than 25 employees on average don't pay the employer portion unless they receive an assistance grant. Employers withhold employee contributions from their employees' paychecks, like state income tax withholding, and send the employee and employer (if applicable) contributions to the state of Oregon through quarterly payroll tax reporting. Federal and Tribal governments don't have to pay contributions.

In September 2023, Paid Leave Oregon began providing benefits as partial wage replacement for most employees and full wage replacement for Oregon's lowest wage earners. Most employees in Oregon are eligible for Paid Leave Oregon benefits if they have experienced a qualifying event, earned at least \$1,000 in a specified time frame before the start of their leave (called a base year or alternate base year), and are currently employed. They can take up to 12 weeks of leave to care for and bond with a child during the first year after 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 their own serious health condition, and to take leave related to sexual assault, domestic violence, harassment, bias crimes, or stalking. The parent who is or was pregnant can receive two more weeks for limitations related to pregnancy, childbirth, or a related medical condition. As of Jan. 1, 2025, employees can also take leave for necessary activities related to the adoption of a child or placement of a foster care child in their home.

Paid Leave Oregon works intentionally with a wide range of communities to make sure that its program design meets their needs and is accessible to them. Paid Leave Oregon affirmatively engages the communities it serves to make sure that it is built from the start in the best way possible to help all Oregonians. Paid Leave Oregon actively engages with its advisory committee and with the public at community events for feedback on program implementation, the contribution rate, and the best ways to communicate and deliver benefits to all Oregonians. Paid Leave Oregon's outreach team is especially focused on those traditionally marginalized by our bureaucracies, institutions, and systems.

You can find the most up-to-date information about Paid Leave Oregon at <u>paidleave.oregon.gov</u>.

Modernization Program

OED's Modernization Program is a multi-year, multi-project initiative to transform OED's business processes and core technology systems.

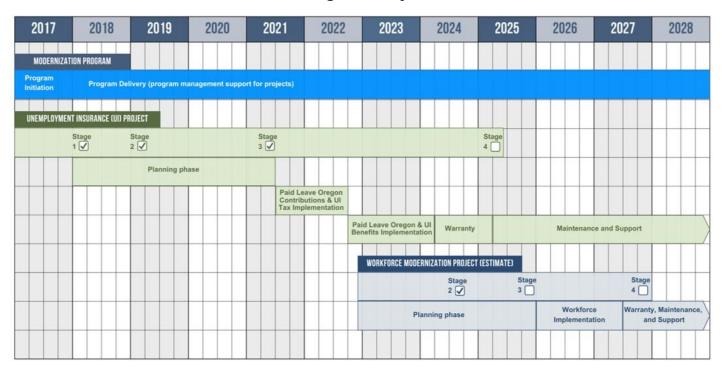
The Modernization Program will:

- Enhance customer experiences by delivering improved services, such as online self-service, automation, access to data, and integration with partner organizations.
- Transform business processes by leveraging modern system capabilities to provide improvements and efficiencies, delivering new tools for our employees, and supporting more effective services delivery to our customers.
- Improve security by improving our ability to anticipate and respond to data



- security threats and to manage access.
- Modernize technology by replacing the OED's aging computer systems that support unemployment insurance taxes, payment of unemployment insurance benefits, and delivery of employment services. It will also support both Paid Leave Oregon contributions and benefits.

Modernization Program Projected Timeline



We are approaching program activities iteratively and with care, and we are considering business needs and technology solutions from an agency-wide perspective. We are learning and adapting as we go, to help the agency better serve our customers in the future.

You can learn more about the program at oregov/employ/modernization.

This document will be updated, as necessary. To get the most up-to-date information, learn more about these programs, or access our FAQs on a variety of topics, visit:_unemployment.oregon.gov and oregon.gov/employ.





Unemployment Insurance

The Unemployment Insurance Program (UI) is an economic safety net that provides stability for Oregonians and Oregon communities through the payment of unemployment benefits.

Unemployment Insurance is a federal-state partnership with the United States Department of Labor that provides temporary, partial-wage replacement for workers who are unemployed through no fault of their own.

Oregon's Unemployment Insurance Trust Fund is the source of benefits paid to claimants and is funded by payroll taxes on employers. Oregon's collection system is designed to raise revenues from employers when the economy is strong and be prepared to withstand sudden increases in the number of people getting benefits. Its robust solvency avoids the need to dramatically raise employers' taxes during, or immediately following, economic downturns.

Primary functions

- Provide income to workers who become unemployed through no fault of their own.
- Stabilize the economy in local communities with high unemployment and during economic downturns.
- Facilitate reemployment through a focus on work search and employment services.
- Preserve a trained, local workforce for businesses during economic downturns.
- Protect Oregon's Unemployment Insurance Trust Fund by remaining vigilant on fraud detection and prevention.

UI Benefits

- Weekly payments for people who meet program eligibility requirements
- Benefit amounts are based on the amount a person earned during their base year
- Eligible people can claim up to 26 weeks of benefits during a 52-week benefit year

Key services and programs

The UI program collaborates with other state agencies through partnerships and datasharing agreements. We also administer several specialized programs including:

- The Self-Employment Assistance program (SEA) supports people starting their own businesses. Eligible entrepreneurs focus full time on building a business and keep the income they earn from your new business.
- Training Unemployment Insurance (TUI) supports people seeking new skills so they
 can quickly return to the workforce.
- Work Share provides an alternative for employers and worker who may be facing a layoff situation. Participating employers reduce the work hours and earning for their employees and the Work Share program allows the worker to receive partial UI



benefits to help supplement their reduced wages. Employers avoid layoffs and losing valuable talent while employees keep access to their employer-provided benefits, including health insurance.

Administrative Funding

- 37 percent is federal funds from the U.S. Department of Labor, which does not carry any state match requirements.
- **63 percent** is from Other Funds, which includes the Supplemental Employment Department Administrative Fund (SEDAF), Penalties and Interest, and Fraud Control Funds. The SEDAF, established by ORS 657.783, is a 0.019% diversion from the UI Trust Fund.

Key figures (2023)

- 252,000 claims for benefits
- 1.72 million weeks of benefits claimed
- 123,000 workers receiving benefits
- \$732 million benefits paid

Laws and Rules

- Statutes Oregon Revised Statute 657
- Administrative Rules Chapter 471

Customer Support

- Website: unemployment.oregon.gov
- Call 877-File-4-UI (877-345-3484)
- <u>frances.oregon.gov/claimant</u>
 - Click on "Contact Us" to send us a message

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Workforce Operations

Workforce Operations offers career coaching, job search support, and training assistance to all Oregonians.

We help job seekers — including Unemployment Insurance claimants, veterans, migrant seasonal farmworkers, and others — find the right employers by connecting them to a statewide network that can help overcome employment barriers.

Workforce Operations also serves businesses with expert help to recruit and train workers, apply for tax credits, and reduce training costs. We connect businesses directly with local Workforce Development Boards, training providers, and community colleges. This crucial service is provided within WorkSource Oregon, a statewide partnership of Oregon, local, and nonprofit organizations.

Key services and programs

- Veteran Programs The Jobs for Veterans'
 State Grant (JVSG) advocates for the hiring of
 veterans and supports the employment efforts of
 various veteran groups Manage and delivers
 several key programs of WorkSource Oregon.
- Migrant and Seasonal Farmworkers (MSFW)
 Program Ensures that MSFWs receive equitable employment and training service.
- Trade Adjustment Assistance (TAA) Program
 — Supports workers affected by international trade, helping them gain new skills and employment.
- Foreign Labor Certification Program —
 Assists Oregon employers in hiring foreign labor for temporary or seasonal work, ensuring that this does not adversely affect U.S. workers' wages and working conditions.
- Reemployment Services and Eligibility
 Assessments (RESEA) Provides services to
 most unemployment insurance claimants to
 identify employment barriers and connects them
 to necessary resources.
- SNAP Training & Employment Program —
 Helps SNAP recipients in Oregon achieve
 employment through training and supportive
 services tailored to their needs.

Primary functions

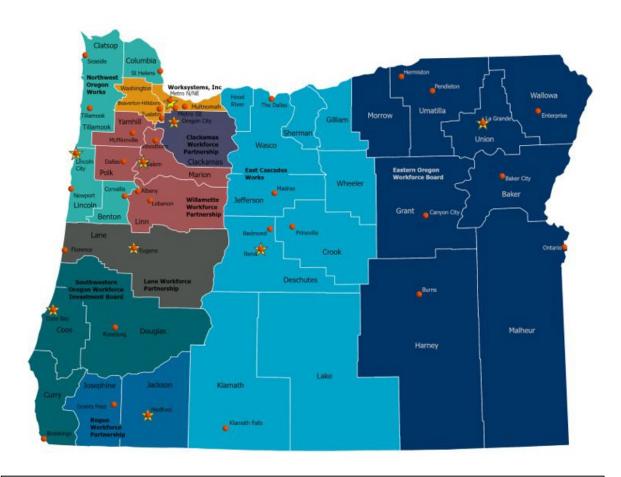
- Connect job seekers to employers
- Manage and delivers several key programs of WorkSource Oregon
- Serve as board members of all nine Local Workforce Development Boards
- Partner with other state agencies to serve customers, including:
 - Bureau of Labor and Industries
 - Higher Education
 Coordinating Commission
 - Oregon Department of Human Services
 - Oregon Commission for the Blind
 - Oregon Department of Corrections
 - Local Workforce Development Boards
 - Oregon Youth Authority
 - Vocational Rehabilitation



WorkSource Oregon Centers

WorkSource Oregon is a statewide partnership with the Oregon Employment Department and state, local, and nonprofit agencies.

People can find a WorkSource Oregon center by visiting worksourceoregon.gov/contact and searching for the location nearest to them. People can also schedule appointments online through a multilingual booking system or walk into any center to get same-day services. A chatbot is also available to help navigate services, schedule appointments, and access resources remotely.



Customer Support

- Website: worksourceoregon.org
- Access the location and phone number for each of our 39 WorkSource Oregon locations at <u>worksourceoregon.gov/contact</u>



Workforce and Economic Research Division

The Workforce and Economic Research Division develops and distributes quality workforce and economic information to promote informed decision making.

Our customers are Oregonians, businesses, policymakers, media and more. The timely, useful, relevant, reliable and unbiased information we provide helps them understand current and future economic conditions and workforce trends.

Key services and programs

We are organized into three groups:

Surveys Group

- Collects and compiles Foundational Data official national, state and local workforce and economic data and information.
 - Done in partnership with the U.S. Bureau of Labor **Statistics**
 - This work is crucial for the national workforce and economic system
- Develops geo-spatial component of core data sets
- Supports OED, partners, and customers

Systems and Economic Analysis Group

- Maintains the division's website, QualityInfo.org
- Operates Oregon's 'Performance Reporting' Information System' (PRISM)
- Develops internal data mining and database tools
- Analyzes data to produce reports, articles, and other information materials
- Serves a wide variety of customers including Governor's Office, lawmakers, workforce boards and media

Regional Analysis Group consists of two teams

- Regional Economists team
 - Provides labor market information for workforce partners, media, and elected officials
 - Develops monthly employment estimates for each county
- Workforce Analyst team

Customers

- Private businesses
- The unemployed and other job seekers
- State and local workforce boards
- Elected officials and other policymakers
- Education and training entities
- Students
- Government agencies
- News media
- OED staff



- Makes 7,900 contacts with Oregon businesses annually
- Provides information on wages, benefits, and employment trends
- Connects students and educators with information on career opportunities

By the numbers

- We directly responded to over 2,100 information requests and made 148 presentations to over 5,500 people in 2023. The website continues to maintain high customer usage, with over 350,000 visits in 2023.
- More than 3,800 customers are signed up to receive email notifications from the subscription service. In 2023, the system sent out more than 660,000 links to articles and publications on the website. As a result, pageviews remained high for articles and publications. The number of total pages viewed by visitors in 2023 was up to 1.75 million from 1.2 million in 2022. Customers in 2023 loaded on average 4.9 pages of information per visit, the largest number since the previous site redesign in 2014.
- We distributed more than 500,000 reports, publications, and electronic newsletters to customers in 2023. Oregon Careers has the largest distribution of any of its publications, with more than 70,000 copies annually. The weekly Around the State newsletter has a distribution of more than 1,650. All publications and reports are available electronically.
- We participated in over 90 data sharing and research collaborations with partner agencies, research institutions, and local, state, and federal partners.

Administrative Funding

- **68 percent** from Oregon's Supplemental Employment Department Administrative Fund (SEDAF).
- 15 percent is federal funding from the U.S. Department of Labor Bureau of Labor Statistics and Employment Training Administration.
- 8 percent is federal funding from the U.S. Department of Labor Training and Employment through the Wagner-Peyser Act.
- **5 percent** is federal funding from the U.S. Department of Labor Training and Employment Administration through a grant to maintain the Workforce Information Database and economic analysis reports.
- 4 percent is funding from grants and contracts with other state agencies and workforce partners.





A program that allows employees in Oregon to take paid time off for some of life's most important moments that impact our families, health, and safety.

Paid Leave Oregon gives people who work, own businesses, or run organizations in Oregon easy access to Paid Leave Oregon benefits so they have the support, resources, and peace of mind when it matters most. In the short term, Paid Leave Oregon provides an important safety net for working Oregonians who need to take leave for a qualifying event. In the long term, Paid Leave Oregon will increase economic security, improve access to paid time off, promote child development, reduce employee turnover, and promote long-term employee retention, productivity, and morale.

Who is covered?

Any employee who has earned at least \$1,000 during their base year or alternate base year may be eligible. Tribal governments and self-employed people may choose to participate.

Who is not covered?

- Federal government employees
- Participants in a work training program as part of a state or federal assistance program
- Participants in a work-study program that provides students in secondary or postsecondary educational institutions with employment opportunities for financial assistance or vocational training
- Railroad employees exempt under the federal Railroad Unemployment Insurance Act
- Volunteers, judges, legislators, and holders of public office

Benefits:

- Up to 12 weeks of paid leave per benefit year (up to 14 weeks for pregnancy- related medical leave).
- Job protections
- Benefit payments depend on your wages and income compared to the statewide average weekly wage; many will receive 100% wage replacement.

Types of Leave

Family leave – to care for a family member with a serious illness or injury, or to bond with a new child in the first year after birth, adoption or foster care placement. As of Jan. 1, 2025, employees can also take time for necessary activities before adopting a child or having a foster care child join their home.

Medical leave – to care for yourself during your own serious health condition.

Safe leave – for survivors of sexual assault, domestic violence, harassment, bias crimes, or stalking.



Equivalent plans

Employers may choose to provide their own paid leave plan for their employees. These plans must provide benefits to employees that are the same or better than the state's paid leave plan, and they may not cost more for employees than the state's plan. Paid Leave Oregon must approve all employers' equivalent plans. Over 13% of Oregon's workforce is covered under an equivalent plan. Paid Leave Oregon also addresses paid leave disputes between the equivalent plan employer and their employees.

Funding

Employee and employer contributions, paid through payroll taxes into the trust fund, pay for Paid Leave Oregon. The contribution rate for 2024 and 2025 is 1% of an employee's total wages per employer, up to the Social Security taxable maximum wage, which was \$168,600 for 2024 and is \$176,100 for 2025. Large employers (25 or more employees on average) pay 40% of the total contribution rate and employees pay 60%. Small employers, those with fewer than 25 employees, don't have to pay the employer contribution. However, if a small employer receives an assistance grant, then they pay the employer contribution portion for two years. From the first quarter of 2023 through the third quarter of 2024, Paid Leave Oregon collected over \$1.024 billion in contributions and paid out over \$862 million in benefits.

Equity

Paid Leave Oregon works intentionally with a wide range of communities to make sure that its program design meets their needs and is accessible to them. Paid Leave Oregon engages the communities it serves to make sure that it is built from the start in the best way possible to help all Oregonians. Paid Leave Oregon actively engages with its advisory committee and with the public at community events for feedback on program implementation, the contribution rate, and the best ways to communicate and deliver benefits to all Oregonians. Paid Leave Oregon's outreach team is especially focused on those historically underserved by our bureaucracies, institutions, and systems.

Outreach

Since spring 2022, our outreach team has been communicating with individuals, businesses, business groups, and community organizations presenting program information virtually and inperson. From July 2023 through April 2024, the Paid Leave Oregon outreach team conducted 941 outreach and education events, presenting to 13,521 workers, 6,230 employers, 1,431 self-employed people, and 3,385 advocacy group members. Staff gave presentations in both English and Spanish. Paid Leave Oregon launched websites in eight separate languages and outreach materials are available in 12 languages.

Laws and rules

- Statutes: Oregon Revised Statute 657B
- Administrative Rules: Chapter 471-70

Customer Support

- Website: <u>paidleave.oregon.gov</u>
- Call 883-854-0166
- <u>frances.oregon.gov/claimant</u>
 - Click on "Contact Us" to send us a message

