

As required by House Bill 3398 in the 2021 Legislative Session, the Employment Department is providing this report to share an update on the implementation status of Paid Leave Oregon. We are hard at work on ongoing initiatives to make sure the program is successful. Implementation of the program is on time, on scope, and on budget. We expect the program to be fully operational by September 2023.

Our completion of the following key deliverables will help ensure the effective and timely implementation of Paid Leave:

September 2022	January 2023	September 2023
Start receiving and processing equivalent plan applications	Paid Leave program contributions start	Start receiving and processing Paid Leave program benefit applications
Finalize initial program administrative rules	Self-employed individuals may choose optional coverage	Start receiving and processing small business assistance grant applications

To make sure that Oregon's Paid Leave program is one of the best in the nation, we are focused on equity and inclusion. We are using this focus to develop rules and define internal processes, as well as perform outreach activities for business groups and historically marginalized communities. We are also building a strong onboarding and retention program for our employees and establishing a culture of continuous improvement and agility. Our work to establish a program to best support Oregonians includes, but is not limited to:

Making the program more accessible and equitable

As part of our effort to create the Paid Leave program to support all Oregonians, we are striving to make our program more accessible and equitable. To help achieve this, we moved away from the look and feel of a traditional government program and adopted a strategic communications plan focused on reaching all Oregon employers and employees, with an emphasis on historically marginalized communities. This will help us inform as many Oregon workers and employers as possible about Paid Leave Oregon.

Before changing the program's name from Paid Family and Medical Leave Insurance to Paid Leave Oregon in early 2022, we worked with an independent consultant as well as focus groups to identify a name and logo to reflect our program values. Through this collaborative effort, we ultimately decided to change the formal name to make it more concise and easy for our customers to understand. Since changing our name, we have also been adapting the name and logo in other languages as well as translating our written materials, enhancing our website to make it more universally user-friendly, and establishing a multi-language social media presence. While implementing these improvements, we have continued to engage with community and stakeholder groups to ensure we are sharing information about the program in ways that best connect with Oregon's diverse population.

Our interim [website](#) includes a user-friendly appearance, greater support for Google translate features, and enhanced screen-reader capability. We are continuing work to enhance the website and expect to launch our permanent site by early 2023. Our permanent website will add even more functionality, including greater accessibility in more than 10 languages, and calculators to estimate both benefits for employees and contributions for employers. We believe the accessibility enhancements and benefit calculators on our website will help our customers easily get the information they need to plan for the program without needing to contact us.

Six videos in English, Spanish, and American Sign Language have also been developed to explain basic aspects of the program. Additionally, all Paid Leave Oregon fact sheets and program resources are being translated into the 11 most commonly used languages. Overall, we are seeking to establish seamless engagement with our customers and have integrated equity and communications review into our operations and policies processes to ensure all forms of our communication, written, visual, and audio, are as accessible as possible.

Staffing up

When our current program leadership team started in January 2022, the primary goal was to increase program capacity and begin to recruit for other leadership roles, including a diversity, equity, and inclusion analyst, and managers and analysts for our operations, policy, outreach, and engagement teams. The Paid Leave Oregon team grew from 19 people in January to 52 as of August 2022. This includes an equivalent plans team to support business processes rolling out in September 2022. In fall 2022, we are recruiting more managers and customer service staff to provide additional telephone support to customers. Our goal is to increase capacity every other month, beginning in December 2022, to ensure great customer service and address questions before the start of Paid Leave Oregon benefits.

Establishing customer support

To prepare for the processing of equivalent plan applications, leadership opened Paid Leave Oregon phone lines on August 1, 2022. At this time, the Paid Leave team is answering 100% of the calls within five minutes; we are tracking the phone lines closely so we can adjust as needed if we start seeing increases in call volume. Our goal is to provide support to businesses and business representatives on equivalent plan requirements and address general program questions from the public. We have added an email address and an online contact form for customers to submit requests for help and receive timely responses. We hope to address questions up front that may cause capacity issues for our team before the program goes live, and we are processing applications. The training team is providing equivalent plan staff with training so that they may begin processing equivalent plan applications from employers starting September 6, 2022.

System modernization

Since adding the Paid Leave Oregon technology requirements into our existing project to modernize our unemployment insurance information technology system, we have continued to meet the stage-gate requirements under the joint Legislative and Executive branch oversight process. This has enabled us to move implementation of the Paid Leave program forward more quickly and efficiently, and without causing any delays to the modernization of our Unemployment Insurance (UI) program.

While the modernization project was originally intended to implement a system to only administer UI taxes and benefits, the project was expanded to allow for the administration of Paid Leave contributions, benefits and equivalent plans. The Employment Department made the decision to administer both programs using the same system based in part on stakeholder input, to create a better customer service experience for Oregonians by centralizing work functions in one system. This also allows us to find efficiencies internally by having a single combined unit to address the similar payroll reporting and tax paying functions for both UI and Paid Leave Oregon.

Our modernization team completed the development phase for the system, and testing, conversion, and training to administer Paid Leave Oregon's equivalent plans and contributions are on schedule. Beginning in the third quarter of 2022, the new system, Frances Online, will replace the Oregon Payroll Reporting System (OPRS) for combined employer reporting and will be ready to accept Paid Leave contributions in the first

quarter of 2023. In addition, self-employed individuals will be able to opt in for Paid Leave Oregon coverage in January 2023 when contributions begin. More details about the project are available on our [website](#).

In addition to centralizing program functions in a modernized system, the department also created a unified Contributions and Recovery Division that handles payroll reporting, UI and paid Leave Oregon payroll contributions, collections, and related matters, for both programs. Employers can talk to a single person or group about both programs, and the division provides even greater efficiencies of scale.

Additionally, both programs rely on Oregon's Quarterly Combined Payroll Reporting process that the Employment Department administers along with other state agencies. The interfaces with reporting systems and processes that we are building to connect with other state agencies will make it easier for our customers to access and utilize our services. We are confident that establishing a unified system and division will reduce the impact on our customers and ensure Oregonians receive better customer service overall from state government.

One other important technological enhancement for the Paid Leave Oregon program is the establishment of the phone infrastructure needed to support the new program, including new functionality for call wait time monitoring, precision queueing, and other tools that have been successful in improving customer service for our UI program.

Administrative rulemaking

Beginning in July 2020, the Paid Leave Oregon program formed five workgroups that pertained to benefits, contributions, equivalent plans, self-employed, and small employers. The workgroups consisted of employee and business representatives to engage about specific aspects relating to Paid Leave Oregon. We used the information and insights gathered in the workgroups to assist in the implementation of the program and the drafting of the administrative rules.

Consistent with our goal to ensure the new program is customer centric, our policy team drafted Paid Leave program rules based on the direct feedback we received from employees, employers, community groups, and business advocates after receiving input in community listening sessions. After consideration over the course of nine meetings by our statutorily created Paid Leave Oregon Advisory Committee, which served as our Rulemaking Advisory Committee, we moved forward in the formal rulemaking process with 100 administrative rules.

The first set of administrative rules consists of 35 rules related to contributions, small employers, self-employed, and our outreach rule that became permanent on January 31, 2022. The second set of administrative rules consists of nine rules related to equivalent plans and became permanent on April 21, 2022. The third set of administrative rules consists of 16 rules related to benefits that became permanent on July 22, 2022. The fourth set of administrative rules consists of 32 rules and two rule amendments that will become permanent in September 2022. The fifth set of administrative rules consists of eight rules and one rule amendment related to benefits that we intend to establish permanently in October 2022.

So far, we have held 10 public hearings with over 1,000 attendees, received written comments from almost 100 individuals, and 60 rules related to contributions, self-employment, assistance grants, and benefits are now permanent. While the department anticipates that the work to amend existing or adopt new administrative rules will be ongoing, the rules in these first five sets are the rules the department believes we need to administer the Paid Leave Oregon program to best support Oregonians at this time.

Community outreach

Since spring 2022, our outreach team has been communicating with individuals, businesses, business groups, and community organizations presenting program information, virtually and in person. As part of the process to develop our Agency Request Budget for the Paid Leave Oregon program, over 1,200 individuals participated in 14 budget engagement sessions, accessible in English, Spanish, and American Sign Language, to provide feedback to help develop our priorities for the 2023-2025 biennium. We also took the feedback received and created FAQs on our website. Also based on the feedback, we modified our agency request budget to incorporate additional and non-traditional outreach methods as well as increasing internal capacity for bilingual staffing. The feedback also informed our Racial Equity Impact Statement we finalized with the Racial Justice Council, chaired by Governor Brown.

Since the end of the agency request budget process, our outreach team also presented general program information to over 50 different business and worker groups and has continued to hold ongoing community engagement sessions. As we continue to build our team, we have also been strategically locating staff throughout the state so that we can build relationships with local communities and increase awareness of the program, especially with Oregonians in rural areas or with members of historically marginalized groups. This approach will complement other outreach strategies, such as paid advertising, to share information about the program.

To ensure we are engaging to the greatest extent possible with Oregon's communities, we have adopted outreach and engagement, and strategic communications plans. The outreach team continues to hold weekly virtual community conversations, and weekly webinars on equivalent plans through the end of September. More than 230 participants attended the first equivalent plan webinar. We also launched a new toll-free number to reach customers more efficiently and directly answer questions about the program.

Paid Leave Oregon will launch a statewide outreach and advertising campaign aimed at employers in fall 2022, including a focus on historically marginalized employers and communities. We will follow this with a larger employee-based outreach and advertising campaign.

Conclusion

The department is on track to implement the Paid Leave Oregon program by the dates mandated by the Legislature. This includes initial program deliverable dates in 2022 with the remaining parts of the program, such as benefits for employees, in September 2023.

As we implement the program and roll out Frances Online for both the Paid Leave and UI programs, we are following a path of continuous improvement. We are listening closely to your feedback, as well as feedback from the rest of Oregon's legislative body, stakeholder and community groups, and our customers, and making program adjustments to ensure the new system will best support the public. We know that as with any program that will serve so many workers and employers, from a huge variety of backgrounds and circumstances, that we will continue to find ways to improve the program even after each phase of it is initially launched. Based on our current trajectory, we could not be more optimistic about the program and customer service experience we will be able to offer Oregonians in the future. Thank you for your continued support and engagement.

For more information about the Paid Leave Oregon program, please visit our [website](https://paidleave.oregon.gov).