



### Paid Leave Oregon

Embrace and Prepare

Presented March 2023

# Our Agenda

- The Law, Rules, & System
- Employers' options
- Deductions and contributions
- Insurance Benefits
- Company Policy
- Integration with other leaves and protections
- Questions

# The Law

#### <u>2019 – House Bill 2005</u>

Summary: In 2019, the Legislature passed House Bill (HB) 2005, which established a Paid Family and Medical Leave Insurance (PFMLI) program within the Oregon Employment Department (OED). The program provides employees with wage replacement benefits when they need to take medical, family, bonding, or safe leave.

**NOTE:** Changes will be made during the 2023 Legislative Session.

### The Rules

#### Adopted

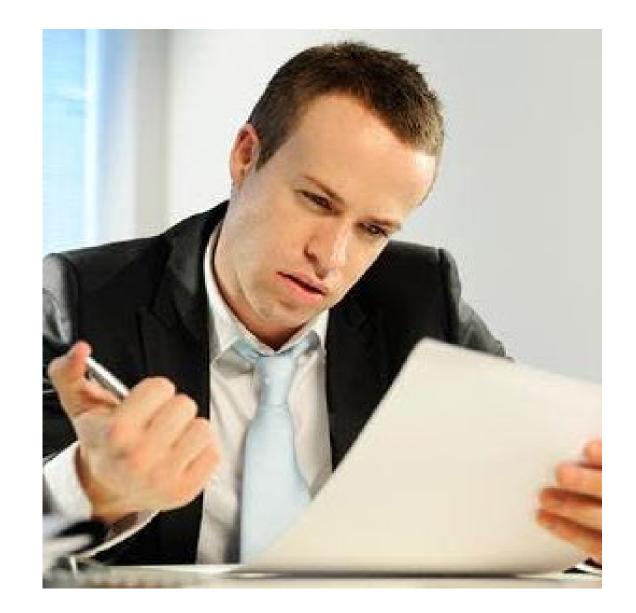
Oregon Administrative Rule

Chapter 471

Division 70

Proposed

Oregon Employment Department



### The System

#### State of Oregon: Frances Online - Home Home



#### Which best describes you?



#### Employer

I want to:

- > File my payroll report
- > Apply for a Paid Leave Oregon equivalent plan



#### Third Party Adminis

I want to:

- File payroll reports on of my clients
- > Go to my account

Use Frances Online for combined payroll reporting for Unemployment Insurance and Paid Leave Oregon contribution

# Employer Options

- <u>All</u> employers with employees working in Oregon <u>must</u> participate.
- Three options:
  - 1. Oregon Employment Department
  - 2. Third Party Insurance Provider
  - 3. Self Insured
- If choosing #2 or #3, you must file for and receive approval from Oregon Employment Department to use these alternative (equivalent plan process).

### Equivalent Plans

#### More Information

- You must offer the same or more benefits than Paid Leave Oregon (PLO) offers.
- You cannot deduct more from employee's contributions than Paid Leave Oregon.
- You must first have the Oregon Employment Department approve the plan. Application fee is \$250.00.



### Deductions and Contributions

Up to

.006%

Employee payroll deductions

1%

of **Gross wages**  .004%

Employer At least contributions\*



# **Deductions and Contributions**

- Employers with fewer than 25 employees are not required to contribute.
  - This may impact the availability of relief grants.
- Employers with union represented employees are required to negotiate over the deduction/contribution and other impact topics.
- The maximum combined amount will be reviewed annually.
- True volunteers are not included in the count or deduction/contribution processes. (This may include individuals receiving stipend through a payroll process)

### 1% of Gross Wages

- Salaries and hourly pay
- Piece rate and by the job pay
- Vacation, sick, and holiday pay, and paid time off (PTO)
- Bonuses, fees, and prizes from an employer
- Compensatory time and stand by pay
- Commission or guaranteed wage payments
- Sickness and accident disability payments
- Dividends and distributions for services

- Tips and gratuities
- Dismissal and separation allowance
- Compensation other than cash, such as room and board (except for agricultural and domestic employees)
- Fringe benefits, such as company vehicles, company paid parking, sick pay by third parties (e.g. insurance companies), and dependent care assistance

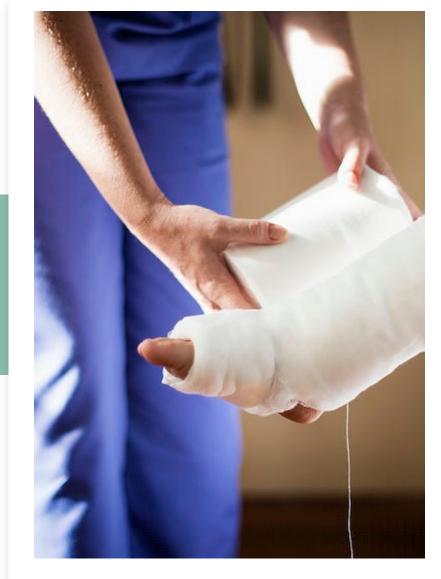
# **Counting Employees**

- For 1/1/2023 contributions
  - All employees inside and outside Oregon, including full-time, part time, and seasonal workers.
- Annually after 2023
  - Each November you will be notified of your employer size for the following year.
    - All employees inside and outside Oregon, including full-time, part time, and seasonal workers.
    - <u>UPDATED 12/1/2022</u> Employers determine their employer size for each calendar year using their monthly employee counts for the previous year. The monthly employee counts are based on the number of employees on the employer's payroll for the pay period that includes the 12th of the month. The employee count includes Oregon and out-of-state employees – the count *excludes* any replacement workers hired to cover for employees taking paid leave.

### Remote and Hybrid Worker Deductions/Contributions



- Full-Time Remote, Outside of Oregon
  - No Deductions/Contributions
- Intermittent or Irregular Hybrid, Mostly Outside Oregon and sometimes Inside of Oregon
  - No Deductions/Contributions
- Scheduled Hybrid, Inside and Outside of Oregon
  - Deduct/Contribute
- Intermittent or Irregular Hybrid, Mostly Inside Oregon and sometimes Outside of Oregon
  - Deduct/Contribute







### Insurance Benefit

### 8 criteria for qualification



Employed.



Earned at least \$1,000 in subject wages and/or taxable income in the base or alternate base year.



Contributed to PLO during the base or alternate base year.



Experience or plan to experience a qualifying purpose.



Requesting leave from their employer.



Apply for benefits.



Have not exceeded their PLO maximum paid leave or benefit amount.



Have no current disqualifications.

# Qualifying Events (purpose)

#### Family Leave

- The birth of a child
- Bonding with a child:
  - In the first year after birth.
  - Through adoption.
  - When they're placed in your home through foster care.
- To care for a family member with a serious illness or injury.

#### Medical Leave

• To care for yourself when you have a serious illness or injury.

#### Safe Leave

 For survivors of sexual assault, domestic violence, harassment, or stalking.

## Family Member

- Employee's spouse or domestic partner.
- Employee's child or the child's spouse or domestic partner.
- Employee's parent or your parent's spouse or domestic partner.
- Employee's sibling or step-sibling or their spouse or domestic partner.
- Employee's grandparent or grandparent's spouse or domestic partner.
- Employee's grandchild or grandchild's spouse or domestic partner.
- Anyone the employee is related to by blood or anyone who lives with or is connected to you like a family member.



## Time off



- Up to 12 weeks per benefit year.
  - Two additional weeks for childbirth and related health issues.
- Can be taken in single day or week increments.
- Eligibility may begin on the <u>first day of</u> employment.
- If an employee has worked for at least 90 days, they will be returned to their previous job.

## Continuation of other benefits

Employers are required to continue other benefits throughout the duration of leave. These include:

- Health Care Benefits the employee had prior to the leave
- Offers of Health Care Benefits that would have occurred had the employee not gone on the leave.
- Seniority, accrued before the leave.
- Pension rights, accrued before the leave.









# **Company Policy**



# Contents of the Policy

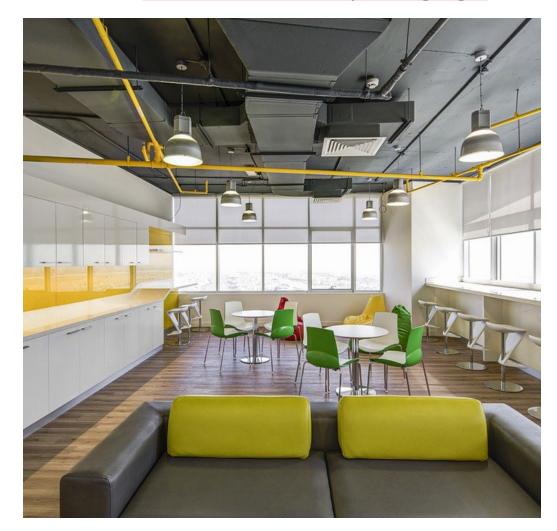
- Cost
- Eligibility
- Length of Leave
- Reasons for Leave
- Insurance Benefit While on Leave
- Notification of Need for Leave
- Filing a Claim
- Complaints Procedure

### Posting

- Display a notice poster in each building or worksite in an area that is accessible and frequented by employees.
- Remote employees, in Oregon, must be provided hand delivery, mail, or electronic delivery of the poster upon hire *or* upon assignment to remote work.
- For employers providing an equivalent plans must also provide a poster notice as described above.

#### **OED overview**

#### Model Notice – Multiple Languages

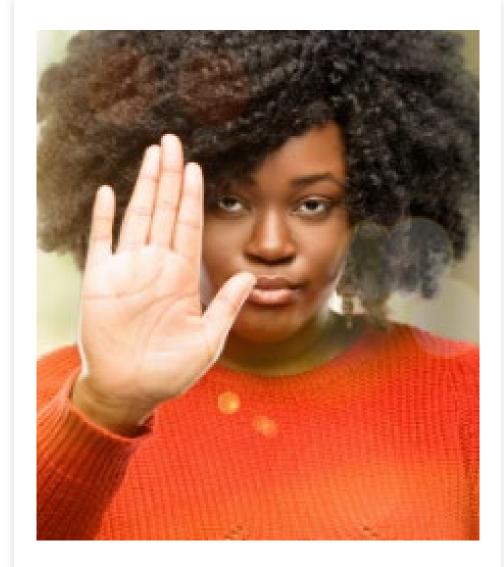


### Discrimination or Retaliation

It is unlawful to discriminate or retaliate against ANY employee who is participating in any part of the provisions of Paid Leave Oregon.

Unlawful practice includes:

- Failure to restore employment or continue other benefits.
- Deny leave or interfere with any other right to which an eligible employee.
- Retaliate or in any way discriminate against an employee with respect to hire or tenure or any other term or condition of employment because the employee has inquired about the rights or responsibilities related to PLO.



# Interaction with other Leaves

FMLA, OFLA, Paid Leave Oregon Comparison

- This is separate from vacation, sick or other paid leaves.
- Employers may allow concurrent use of other paid leaves to make up the difference between the Paid Leave Oregon benefit and the employees regular pay and not to exceed 100%.
  - Employers cannot require the use of other paid leaves.
- Employees may not receive Paid Leave Oregon benefits while receiving Workers Compensation benefits and Unemployment benefits.

# Considerations for Other Interactions

- Alignment of leave years with OFLA and FMLA
- Requirement or option to use other paid leave balances
- Continuations of health benefits offering and payment of employee portion
- Interaction with Short or Long-term disability polices
- Interaction with other wage replacement polices

## Timelines

Apply for approval of equivalent plan, if desired. OED Website on Equivalent Plans	Begin payroll deductions and contribution, if applicable. Review current policies, revise, educate, and implement. OED Website for Employers	Eligible employees may begin to file claims OED Website for Employees
Sep. 2022	1 Jan. 2023	3 Sep. 2023



### Questions

### Contact



### Whatever the question....

### our goal is your success!

