

CURRY COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM ROUTING SLIP (ARS)

Revision 1-26-2021

SUBMITTING DEPARTMENT: RETURN TO [BOC OFFICE@CO.CURRY.OR.US](mailto:BOC_OFFICE@CO.CURRY.OR.US)

PROPOSED AGENDA ITEM TITLE: Paid Leave Oregon

AGENDA DATE: 8/17/22 DEPARTMENT: HR TIME NEEDED: 15 min

COMPLIANCE WITH CURRY COUNTY STRATEGIC PLAN

(Check all that apply)

1. Financial Stability 2. Economic Development 3. Quality of Life
4. Public Trust 5. Infrastructure

RECOMMENDED AGENDA CATEGORY WORKSHOP

If this is a Presentation, who is doing the Presentation? Julie Swift

CONTACT PERSON: Julie Swift TODAY'S DATE 8/12/22

BRIEF BACKGROUND: This is a new program that allows workers in Oregon to take paid leave paid through the Employment Department.

FILES ATTACHED:


- (1) Overview
(2) Benefits
(3) Contributions
(4) Equivalent Plan
(5)


INSTRUCTIONS ONCE SIGNED:

- No Additional Activity Required OR
 File with County Clerk Name:
 Send Printed Copy to: Address:
 Email a Digital Copy to: City/State/Zip:
 Other Phone:

Note: Most signed documents are filed/recorded with the Clerk per standard process.

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

 **Family Leave** – to care for a family member with a serious illness or injury, or to bond with a new child after birth, adoption or foster care placement.




 **Medical Leave** – during one's own serious health condition.

 **Safe Leave** – for survivors of sexual assault, domestic violence, harassment, or stalking.

When will the Paid Leave program start?

Employers will begin payroll contributions in January 2023, and workers will be able to apply for benefits in September 2023.

Benefits:

-  Up to 12 weeks of paid leave per benefit year (up to 14 weeks for pregnancy-related medical leave). You can take leave a week or a single day at a time.
-  If you have been with your employer for more than 90 days, your job remains protected and safe while you use paid leave. Your employer cannot penalize you for using paid leave.
-  Benefit payments depend on your wages and/or income compared to the statewide average weekly wage; many will receive 100% wage replacement.

Who is covered? Any employee who has earned at least \$1,000 during the year prior to claiming paid leave may be eligible. Most employees working in Oregon will be covered. Tribal governments, self-employed business owners, and independent contractors may choose to participate by notifying the paid leave program.

How is this funded?

The paid leave program is funded by a trust fund. Both workers and employers contribute to the trust fund through payroll taxes. By November 2022, the Employment Department will set the contribution rate, which may be up to 1 % of an employee's total wages.

Oregon employers will begin contributing to the paid leave trust fund on January 1, 2023. Once the rate is set, large employers will contribute 40%, and employees will contribute 60% of the total contribution for each individual. Small employers, those with fewer than 25 employees, are not required to contribute. However, grants will be available for those that choose to do pay their 40%.

Equivalent Plans.

Employers may elect to provide their own paid leave plan for their employees. These plans must provide equal to or greater benefits to employees to the state's paid leave plan, and they may not cost more for employees than the state's plan. The paid leave program must approve all employers' equivalent plans. Employers may start submitting applications for equivalent plans in September 2022.

Get involved.

Currently we are creating the rules that will dictate how the paid leave program will work. We want to build a program that works for all Oregonians. We invite you to attend a public hearing or send us your comments. You can find out more on the paid leave website at oregon.gov/employ/pfml in the section for the [Rulemaking Advisory Committee](#).

Learn More.



Visit oregon.gov/employ/pfml and subscribe to [email updates](#).



Email us at paidleave@oregon.gov.



Call us at 503-370-5800.

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Can I use paid leave benefits if my family is sick or injured?

Yes. You are covered to care for a family member that is sick or injured.

Who is considered my family under the paid leave

program? Any person related by blood or whose relationship with you is like family.

When can I apply for benefits? September 2023.

How much paid leave can I get? 12 weeks of paid leave per year, plus an additional two weeks for limitations related to pregnancy. You can use paid leave one day at a time or consecutively.

How much money will I get? Many employees will get 100% of their wages replaced. Your benefit amount is based on your average wage in the previous year. The minimum weekly benefit will be approximately \$57, and the maximum weekly benefit will be approximately \$1375.

What are the requirements to collect paid leave benefits?

Employees requesting paid leave benefits must have:

- ➔ Experienced a qualifying event
- ➔ Completed an application
- ➔ Earned \$1000 in wages in the past year
- ➔ Contributed to the paid leave trust fund through deductions from their paycheck

When should I notify my employer I intend to take paid leave? If you know you will need to take paid leave, you must notify your employer in writing at least 30 days before you take leave. If you need to take leave unexpectedly, you must give verbal notice within 24 hours of starting your leave and provide written notice within three days after the start of your leave.

Which employees are covered by paid leave?

Most employees who work in Oregon are covered by the paid leave program. People who are salaried, hourly, full time, part time, or seasonal are all covered.

Which employees are not covered by paid leave? People who are not covered by paid leave are:

- ➔ Federal employees
- ➔ Tribal government employees
- ➔ People who are self-employed or independent contractors
- ➔ Employees that only work outside of Oregon

If I am not eligible for paid leave coverage, can I choose to join the paid leave program? Tribal governments may choose to participate in the paid leave program, and their employees will be covered. People who are self-employed or independent contractors may also choose to join the paid leave program.




How is Oregon's paid leave program different from Family Medical Leave Act (FMLA) and Oregon Family Leave Act (OFLA)? Below is a summary of some differences between the paid leave program and FMLA/OFLA. Each program has many rules and can be complex. Please work with your human resources representative to determine which program best fits your needs.

Paid Leave Program	FMLA/OFLA
The leave is paid	The leave is unpaid
Covers Family, Medical, and Safe Leave	Covers Parental, Serious Health Condition, Pregnancy Disability and Military Family Leave. OFLA also covers Sick Child and Bereavement Leave
Leave is provided from all employers	Leave is provided from employers based on how many employees they have (25 for OFLA; 50 for FMLA)

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What are contributions and when do they start? Employees and employers will pay contributions to support Paid Leave Oregon starting on January 1, 2023.

What are contributions used for?

-  Paid leave benefits for employees
-  Grants to help small employers when their employees use paid leave
-  Program administration

How much are contributions? Contributions are a percentage of wages. The rate for 2023 is 1% of up to \$132,900 in wages.

How are contributions shared between employers and employees? Employees pay 60% of the set contribution rate, and employers pay 40%. For example, if an employee made \$1,000 in wages, the employee would pay \$6 and the employer would pay \$4 for this paycheck. Employers may choose to pay the employee portion as a benefit for their employees.

Which employers and employees are required to participate in Paid Leave Oregon? All employers, except federal and tribal governments, are required to participate in the paid leave program. Tribal governments can choose to provide coverage through the program.

All employees, except employees of the federal and tribal governments, are required to participate in the paid leave program. Employees of tribal governments participate if their tribal government has elected coverage. Self-employed individuals and independent contractors can also choose to participate.

What support is available to small employers? Small employers (fewer than 25 employees) are not required to pay the employer portion of contributions. The Employment Department will notify employers of their size each year.

Assistance grants are available for small employers to help with the costs of replacing an employee taking paid leave. The grants cover up to \$3,000 per employee for up to 10 employees per year (\$30,000 total). Small employers that receive grants commit to pay the employer portion of contributions for two years.

How are wages reported and contributions paid to the department? Contributions are a payroll tax and will be included in combined payroll forms starting in January 2023. Employers will deduct employees' paid leave contributions from paychecks. Employers will then report wages and pay both the employee and employer contributions through the combined payroll reporting process.

Are contributions required for employees who live or work in multiple states? Contributions are required for employees who primarily work in Oregon, even if employees live in another state or occasionally work in another state. Oregon residents who work entirely in another state do not pay contributions.

How are Paid Leave contributions different from Unemployment Insurance tax? The Employment Department administers both Paid Leave Oregon contributions and Unemployment Insurance taxes. Below are some program similarities and differences.

Paid Leave Oregon contributions	Unemployment Insurance taxes
Same contribution rate for all employers. Rate is not connected to benefit usage from employer.	Different tax rates for employers. Rate is connected to benefits usage from employer.
Contribution rate and maximum wage set annually by November 15.	Tax rates and taxable wage base set annually by November 15.
Contributions paid by employees and employers.	Tax paid by employers only.
Contributions based on employee wages.	Tax based on employee wages.
Contribution paid through combined payroll reporting.	Tax paid through combined payroll reporting.
No reimbursement option for employers.	Some employers can reimburse for benefits instead of paying tax.
Penalties and interests for employers for late reporting and contribution payments.	Penalties and interests for employers for late reporting and contribution payments.




Are there alternatives to the state paid leave plan for employers? Yes, employers can apply for approval to use their own equivalent plan to provide benefits that are equal to or greater than those provided by the state paid leave program. Employers with an approved equivalent plan still report wages through payroll reports, but they are not required to pay contributions. Information about [equivalent plans are available online](#).

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What is an equivalent plan? Employers may provide equivalent paid leave plans for their employees as an alternative to participating in the Paid Leave Oregon program.

What are the general requirements of an equivalent plan?

An equivalent plan must:



-  Cover all employees who have been continuously employed with the employer for at least 30 calendar days.
-  Ensure employee contributions are not greater than what would be charged under the state plan.
-  Provide benefits that are equal to or greater than the benefits offered by the state plan, including:
 1. Allowing leave for family, medical, and safe-leave reasons
 2. Providing up to 12 weeks of paid leave per year (plus an additional two weeks for pregnancy-related medical leave)
 3. Allowing employees to take paid leave one day at a time or consecutively
 4. No additional conditions or restrictions for employees to use paid leave

When can I submit an equivalent plan application? Employers can submit applications starting in September 2022. We anticipate the review process will take at least 30 days.

How much will the initial application cost?

The application fee for a new equivalent plan is \$250.

What are the types of equivalent plans an employer may provide?

-  Employer-administered equivalent plan – the employer assumes all financial risk associated with the benefits and administration of the equivalent plan, whether the plan is administered by the employer or a third-party administrator.
-  Fully insured equivalent plan – the employer purchases an insurance policy from an insurance company, and the benefits related to the plan are administered through the insurance policy.

Can an employer provide an equivalent plan for some, but not all, employees? No, an employer must provide coverage under the equivalent plan for all employees under the employer's business identification number (BIN).

Will employers have to renew approval for their equivalent plans? Yes. Employers will have to reapply for approval annually, only for the first three years. After three years, employers will no longer have to re-apply for approval and their equivalent plans will remain in place until withdrawn or terminated.

Learn More.



Visit oregon.gov/employ/pfmlj and subscribe to [email updates](#).



Email us at paidleave@oregon.gov.



Call us at 503-370-5800.