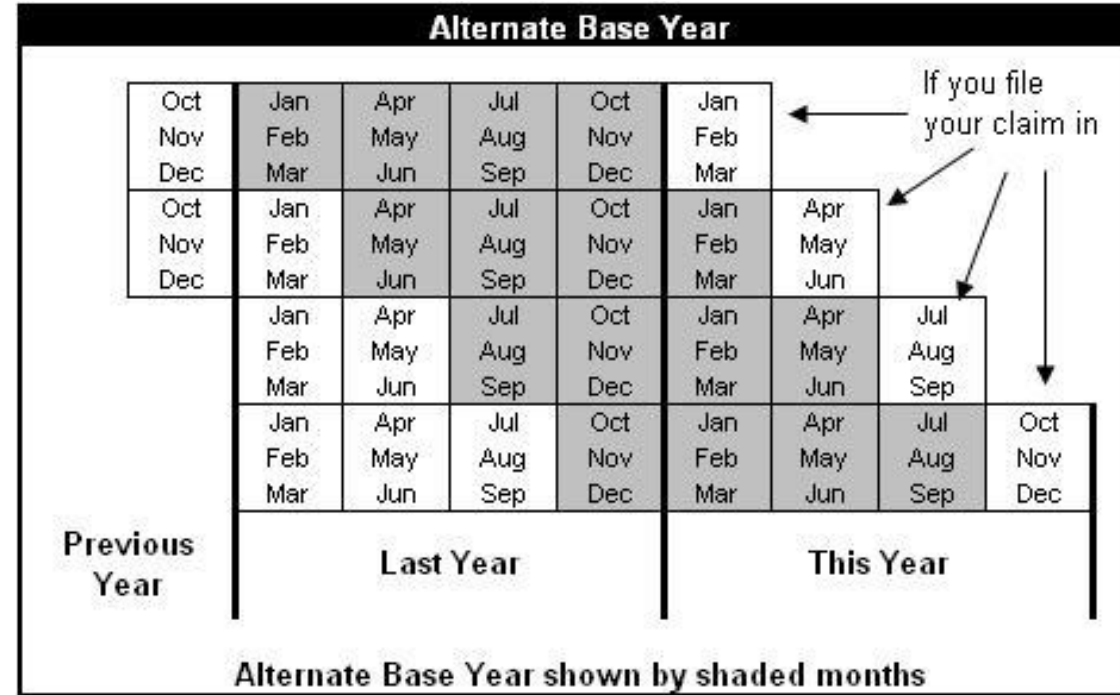
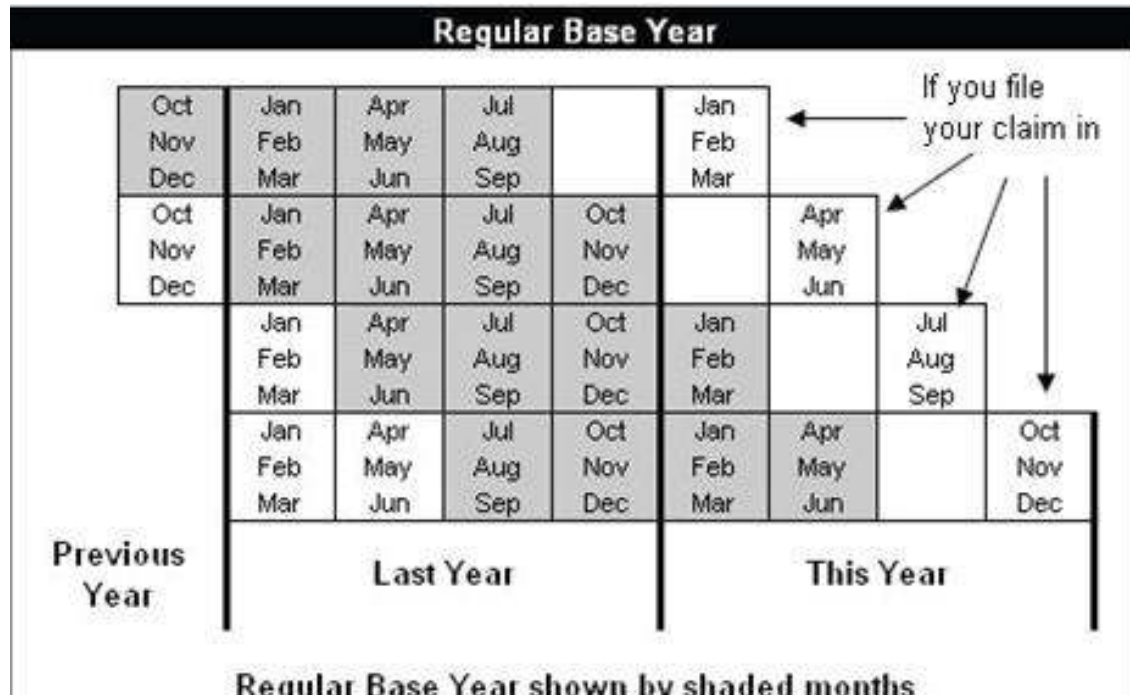




Paid Leave Oregon

Oregon Paid Family Leave

- All employers with at least one employee in the state of Oregon are subject to the new program.
- Eligible Employees - \$1,000 in “base year” or the “alternate base year” in wages in the state of OR



Oregon Paid Family Leave



- All employers with at least one employee in the state of Oregon are subject to the new program.
- Eligible Employees - \$1,000 in “base year” or the “alternate base year” in wages in the state of OR
 - Independent contractors, self-employer individuals and tribal governments may opt in but are otherwise excluded
 - Union employees are covered by the employer
 - Staffing/Employment agencies are responsible for contributions when they are acting as the employer
 - Employees receiving workers comp or on unemployment are not eligible for benefits

Oregon Paid Family Leave



- Eligible Employees - \$1,000/year in wages in the state of OR
- Funding – Employer 40% (can pay more), Employee 60%; Max 1% of \$132,900 in wages
 - **NOTE:** Employers with fewer than 25 employees (nationwide – not just those in OR) are exempt from the employer contribution - But if they choose to contribute, they'll be eligible for a grant: \$3,000 per employee up to 10 employees
- Covered Events
 - New child bonding – must be taken within first 12 months of birth or placement
 - Care for self or family member due to a serious health condition (**loose definition**)
 - Seek assistance for sexual assault, domestic violence, harassment or stalking



	PAID LEAVE OREGON	OFLA	FMLA
Birth/placement of a child	X	X	X
Own Serious Health Condition	X	X	X
Serious Health Condition of a spouse, parent, or child	X	X	X
Serious Health Condition of a same sex domestic partner, grandparent, grandchild, or parent-in-law	X	X	
A non-serious health condition that requires home care for a sick child		X	
Death of a spouse/same sex domestic partner, parent, child, grandparent, grand-child, or parent-in-law		X	
Serious Health Condition of someone you consider family by means of affinity	X		
Seeking assistance for sexual assault, domestic violence, harassment, or stalking	X		

Oregon Paid Family Leave



- Eligible Employees - \$1,000/year in wages in the state of OR
- Funding – Employer 40% (can pay more), Employee 60%; Max 1% of \$132,900 in wages
- Covered Events
- Benefit Amount - weekly benefit \$61.24-\$1,469.78 (adjusted annually) based on a formula of earnings and the State Average Weekly Wages (SAWW)
 - employees can supplement the paid leave with vacation or sick pay up to 100% of their average weekly wage
 - Employees earning 65%, or less, than the SAWW can receive up to 100% of their earnings via Paid Leave

Oregon Paid Family Leave



- Eligible Employees - \$1,000/year in wages in the state of OR
- Funding – Employer 40% (can pay more), Employee 60%; Max 1% of \$132,900 in wages
- Covered Events
- Benefit Amount - weekly benefit \$61.24-\$1,469.78 (adjusted annually) based on a formula of earnings and the State Average Weekly Wages (SAWW)
 - employees can supplement the paid leave with vacation or sick pay up to 100% of their average weekly wage
 - Employees earning 65%, or less, than the SAWW can receive up to 100% of their earnings via Paid Leave
- Benefit Duration – up to 12 weeks, plus an additional two weeks for limitations related to pregnancy
 - Runs concurrently with OFLA and FMLA
 - Employees can receive an additional 4 weeks of unpaid leave for OFLA covered leave condition (totaling a potential 18wks)

Oregon Paid Family Leave

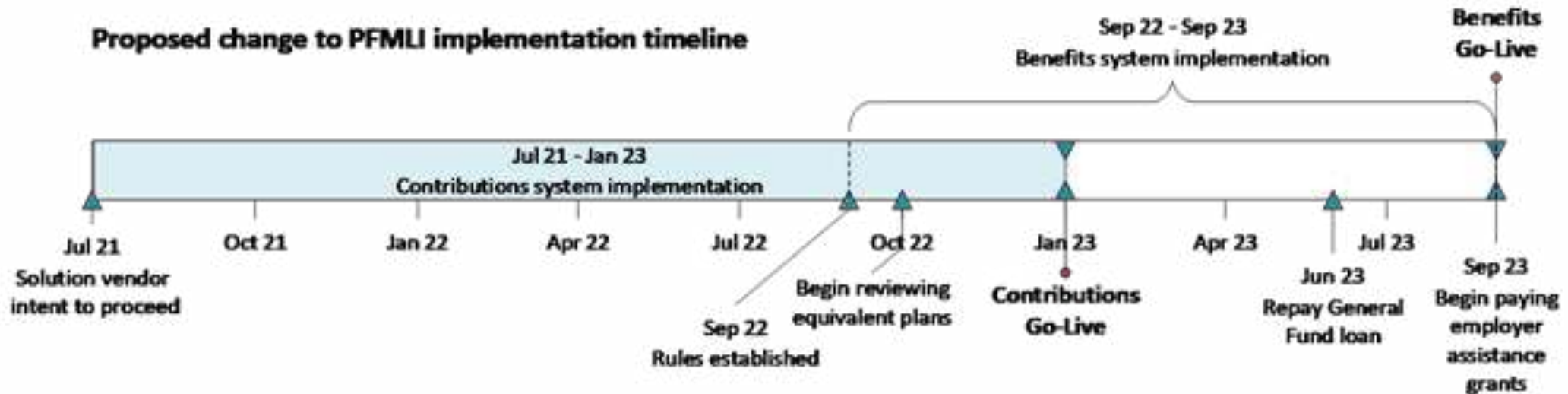


16 Week Rule – but not really

- Runs on a rolling-forward limit – based on first usage of PFL
- The period during which the combined limit applies does not begin until an employee takes ORPFL and their rolling forward 52 week leave year is established
- OFLA time used for leave reasons that are not also covered by OR PFML will not trigger the 16wk limit
- 16wk limit does not limit the use of OFLA, it only limits the employee's use and entitlement to OR PFML
- The 16wk rule does not include time used under Oregon Military Family Leave

Oregon Paid Family Leave

- January 1st 2023 – Premium collections for state plan begin
- September 3rd, 2023 – Benefit payouts begin



Interacting with other Benefits

- Paid Leave Oregon is in addition, and may not be a replacement for, any company provided paid time off – sick pay, vacation, PTO, etc.
 - Employees can earn up to 100% of their average weekly salary
- Short Term Disability policies **will** offset for Paid Leave payments
 - Rates are expected to be drastically reduced

Employer Responsibilities

- Provide written notice to all employees of their duties and rights – model notices will be made available
 - NOTE: Notices must be provided in the language the employer typically uses to communicate with the employee
- Provide job protection for employees who have been with the company for at least 90 days
 - NOTE: Unlike OFLA which requires job protection at 180 days
- If you allow employees to use their PTO or other company provided paid leaves concurrently with PFL it cannot exceed 100% of the employee's AWW
 - NOTE: Unlike FMLA & OFLA, Employers may **not** require employees use their PTO
- Maintain the same level of benefits while the employee is out on leave
- File combined quarterly report of wages earned and contributions paid or pay penalty

Employee Responsibilities

- Can require employees to provide minimum 30 days' written notice for leave, if the need is foreseeable
 - If unforeseeable then oral notice must be given within 24hr of the start of leave and written notice within three days after it begins
- Employee must provide explanation of the need for leave, type of leave, expected length of leave
- Employee's failure to provide timely notice can result in a reduction of the first weekly payment, up to 25%, but it does not impact their ability to take covered leave
 - **NOTE:** It is the employer's responsibility to notify the state if an employee fails to provide required notice

Equivalent Plan Option

- Private plans will be permitted so long as they are equal to or exceed the state plan benefits are extended to all employees who have been employed for 30 days or more
- Employers can begin submitting applications starting **September 6th 2022**
- The approval process expected to take a minimum of 30 days. A \$250 application fee will apply and an annual \$150 renewal fee is required for the first 3 years.
- Employee contributions cannot be greater than they would be charged under the state plan
- Plans can be fully insured or self funded
- No premiums are remitted to the state when using a private plan

Oregon Paid Family Leave

Annual Volume	\$12,606,550
Rate	1.00

Equivalent Plan	Employer	Employee
rate	0.40	0.60
monthly cost	\$4,202	\$6,303
annual cost	\$50,426	\$75,639
Total	\$126,065	

State Plan	Employer	Employee
rate	0.40	0.60
monthly cost	\$4,202	\$6,303
annual cost	\$50,426	\$75,639
Total	\$126,065	

Equivalent Plan	Employer	Employee
Breakout Cost for 2023	\$16,808.73	\$25,213.10
Total	\$42,021.83	

State Plan	Employer	Employee
Breakout Cost for 2023	\$50,426	\$75,639.30
Total	\$126,065.50	
2023 Savings	\$84,043.67	
Employer Savings	\$33,617.47	

Equivalent Plan Option

- Private plans will be permitted so long as they are equal to or exceed the state plan benefits are extended to all employees who have been employed for 30 days or more
- Employers can begin submitting applications starting **September 6th 2022**
- The approval process expected to take a minimum of 30 days. A \$250 application fee will apply and an annual \$150 renewal fee is required for the first 3 years.
- Employee contributions cannot be greater than they would be charged under the state plan
- Plans can be fully insured or self funded
- No premiums are remitted to the state when using a private plan

IMPORTANT DATES

- By November 30, 2022, to be exempt from paying and remitting the contribution payments beginning with the first quarter that starts **January 1, 2023**.
- By February 28, 2023, to be exempt from paying and remitting contribution payments beginning with the second quarter that starts **April 1, 2023**.
- By May 31, 2023, to be exempt from paying and remitting contribution payments beginning with the third quarter that starts **July 1, 2023**.

Outstanding Questions:

- Will benefit payments be treated as taxable income?
- Are contributions pre or post tax
- 16 Week Rule
- Will the State really meet their expected 2 week turn around time on claims?