

# PAID LEAVE OREGON: BENEFITS BEGIN 9/3/2023



Beginning January 1, 2023, employers with workers based in Oregon will be assessed a payroll tax called Paid Leave Oregon (formerly known as PFMLI) so the state can provide a family and medical leave benefit to all eligible workers. For most Oregon employers, participation is mandatory.

## AS AN OREGON EMPLOYER, YOU HAVE AN IMPORTANT DECISION TO MAKE.

1. Should I pay the payroll tax and let the State of Oregon administer their program for my employees?
2. Should I opt out of the state program and offer my employees an equivalent plan?

Before you decide, let The Partners Group (TPG) inform you what your options are and how the costs compare.

Complying with various leave laws can be confusing. TPG can provide the information you need to make the best choice for you and your employees. TPG is offering a proprietary analysis for our clients that will help you understand the financial impact of Paid Leave Oregon to your organization. This analysis will be available to you in Summer 2022.

We will also secure equivalent plan options at renewal, or earlier if requested, so you can make the best decision for you and your employees.

**If you have questions, reach out to your TPG consultant.**

## IMPORTANT DATE(S)

- **Decision Deadline:** November 2022
- **Contributions Begin:** January 1, 2023
- **Benefits Begin:** September 3, 2023

## COVERED EMPLOYERS

All public and private employers with at least one EE in the state of Oregon. Self-employed, federal government, and tribal government employers are not covered, but can opt in.

## COVERED EMPLOYEES

Those who contributed to the Paid Leave Oregon fund and earned at least \$1,000 in wages in the qualifying period.

## PLAN ADMINISTRATION OPTIONS

- State plan (Paid Leave Oregon)
- A state-approved private plan that fully meets or exceeds the state plan and is approved by the director of the employment department.



THE  
**PARTNERS  
GROUP**

## FUNDING

- **Employee:** 1% of wages capped at annual Social Security maximum. Max contribution will be 60% of total rate.
- **Employer:** At least 40% of final rate. Employers may pay employee contributions. Employers with fewer than 25 employees are not required to pay the employer contribution.

## LEAVE REASONS

- **PML:** Employee serious health condition, safe leave, or pregnancy.
- **PFL:** Serious health condition of family member, bond with newborn or newly adopted or foster child, or safe leave (minor child, or dependent needs leave for reasons covered under Oregon's domestic violence law).
  - » Covered Relationships: spouse, domestic partner, child, parent, parent-in-law, sibling, grandparent, grandchild, any individual related to the employee by blood, any individual who is the equivalent of a family member.

## BENEFIT SUPPLEMENTATION RULES

An employee may be permitted to use paid sick time, vacation, or any other paid leave earned by the employee in addition to receiving family and medical leave insurance benefits to replace wages up to 100% of the employee's average weekly wage (AWW).

## EMPLOYER NOTIFICATION REQUIREMENTS

To be determined.

## HOW TO REGISTER WITH THE STATE

To be determined.

## WAITING PERIOD

None.

## BENEFIT PERCENTAGE

Up to 100% of AWW on a sliding scale. Employees with an AWW up to 65% of the state's AWW will receive a 100% benefit. Employees with an AWW exceeding 65% of the state's AWW will receive 100% of their wages up to 65% of the state's AWW, plus 50% of wages that exceed this threshold.

## WEEKLY MAXIMUM BENEFIT

Capped at 120% of the AWW, amount undetermined.

## BENEFIT DURATION(S)

12 weeks of paid benefits, with an additional two weeks for pregnancy or childbirth complications; total paid and unpaid leave (combined Paid Leave Oregon and OFLA) capped at 18 weeks.

## JOB PROTECTION

Yes, if employed by employer for 90 or more days.

## RESOURCES

- [Paid Leave Oregon](#)



The information services provided by The Partners Group is for consultative and/or informational purposes only; they do not constitute and should not be construed as legal advice, since TPG is not a law firm and does not serve as your legal counsel. The services provided by TPG are not a substitute for the advice of legal counsel. TPG clients should contact an experienced employment and/or benefits attorney to obtain legal advice with respect to any particular issue or problem.