

The state has developed a new program allowing workers in Oregon to take paid time off to handle events impacting their families, health, and safety. The following is a quick look at Paid Leave Oregon (PLO) and what it means for you.

WHAT LIFE EVENTS CAN YOU TAKE PAID TIME OFF FOR?

- **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:** to care for yourself when you have a serious illness or injury.
- **Safe Leave:** for survivors of sexual assault, domestic violence, harassment, or stalking.

WHEN WILL THE PAID LEAVE PROGRAM START?

Employers will begin payroll contributions on January 1, 2023, and workers will be able to apply for benefits September 3, 2023.

EMPLOYEE BENEFITS

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

For Paid Leave Oregon, “wages” includes commission or a guaranteed wage, compensatory pay, dismissal or separation allowances, holiday pay, paid time off, sick pay, stand-by pay, tips, and vacation pay. (see Oregon Secretary of State Administrative Rules: Wages).

Contributions are a percentage of wages. The rate for 2023 is 1 percent of up to \$132,900 in wages. Employees pay 60 percent of the set contribution rate and employers pay 40 percent.

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.

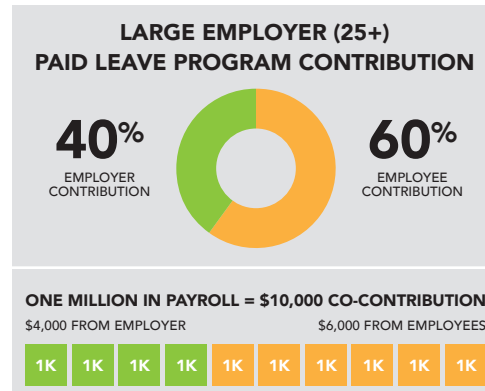
Employees making more than \$132,900 will not contribute to the tax over this amount. Tips are included as part of an employee’s earnings.

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 one percent 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 with over 25 employees regardless of hours worked, will contribute 40 percent, and employees will contribute 60 percent 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 pay their 40 percent.



Here’s an example: An employer with \$1 million in payroll will pay \$4,000 per year into the program while employees will contribute \$6,000 per year for the same payroll. The number of employees is determined by the 2023 first quarter payroll report (Form 132) and includes full and part-time employees.

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. Equivalent plans can be insured through a private carrier or self-funded. The Oregon Employment Department must approve all employers’ equivalent plans.

Employers were able to start submitting applications for equivalent plans on September 6, 2022. The deadline for submitting equivalent plans is November 30, 2022. Important note: Employers who have not shared their declaration of intent to purchase a private plan by the November 30 deadline, will be required to pay into the State plan on January 1, 2023.

KEY DATES

- **September 6, 2022** – Application portal opened for employers to submit equivalent plan applications: [Oregon.gov/employment/frances/Pages/default.aspx](https://oregon.gov/employment/frances/Pages/default.aspx)
- **November 30, 2022** – Deadline for employers interested in an equivalent plan to submit a declaration of intent or equivalent plan application to be exempt from state plan contributions beginning January 1, 2023.
- **January 1, 2023** – Employer and employee premium contributions begin for employers participating in the state plan.
- **January 1, 2023** – Employers seeking equivalent plan solutions generally need to start collecting employee contributions hold this money in a separate account until their equivalent plan is approved by the state.
- **May 31, 2023** – Deadline for employers who submitted a declaration of intent to complete and submit equivalent plan applications (including a full plan document) to the state.
- **June 30, 2023** – If an employer seeking to use an equivalent plan does not have an approved plan by this date, the employer must collect and pay contributions for all unpaid periods since January 1, 2023, along with any penalties and interest. Retroactive withholding from employee wages is not permitted.
- **September 3, 2023** – Initial premium contributions are due for employers with approved fully insured equivalent plans (the coverage effective date).
- **September 3, 2023** – PLO benefits start under the state and equivalent plans.

LEARN MORE

Visit [Oregon.gov/employment/pfmli](https://oregon.gov/employment/pfmli) and subscribe to email updates. You may also email paidleave@oregon.gov or call 503.370.5800. For more information on private plan options, consult your insurance agent or broker, or reach out to Garth T. Rouse & Associates at 800.982.2012.

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