

**REVENUE IMPACT OF
PROPOSED LEGISLATION
75th Oregon Legislative Assembly
2009 Regular Session
Legislative Revenue Office**

Bill Number:	SB 966-A
Revenue Area:	Insurance
Economist:	Mazen Malik
Date:	4/29/09

Measure Description:

Creates Family Leave Benefits Insurance program to provide benefits to employees taking family leave to care for an infant or newly adopted child. Establishes Family Leave Benefits Insurance Account in State Treasury. Requires employers to withhold premiums, not to exceed two cents per hour worked, from employees' earnings, and pay premiums into account. Applies to employers with 25 or more employees. Permits non-subject employers to opt-in commencing July 1, 2013. Requires BOLI to administer claims for benefits. Establishes qualifications for receiving benefits. Establishes amounts of and limitations on benefits. Allows employees to first file claims on or after January 1, 2012.

Revenue Impact (in \$Millions):

	FY 2010	FY 2011	09-11 BN	11-13 BN	13-15 BN
Other Funds					
Family Leave Benefit Account		\$13.85	\$13.85	\$57.334	\$59.938

Impact Explanation:

SB 966 creates a Family Leave Benefits Insurance program that the Bureau of Labor and Industries would be required to establish and administer. The Insurance program would provide benefits to employees taking unpaid family leave to care for an infant or newly adopted child, newly placed foster child under 18 years of age, adopted or foster child older than 18 years of age if the child is incapable of self-care because of a mental or physical disability, or a family member with a serious health condition.

It establishes Family Leave Benefits Insurance Account in State Treasury that is separate and distinct from the General Fund. It would require employers to withhold premiums, not to exceed two cents per hour worked, from employees' earnings for quarter's worked beginning on or after January 1, 2011 and pay the moneys retained in the manner and at such intervals as the Commissioner of the Bureau of Labor and Industries directs. Applies to covered employers (employers with 25 or more employees) but does permit non-subject employers (employers with less than 25 or self-employed) to opt-in commencing July 1, 2013. Family leave benefits are payable (\$300 per week for a total of 6 weeks) under the Family Leave Benefits Insurance Program to an employee during a period in which the employee is on unpaid family leave on or after July 1, 2012. Family leave benefits are payable only to the extent that moneys are available in the Family Leave Benefits Insurance Account for that purpose and neither the state nor the bureau is liable for any amount in excess of this limitation

The estimates are based on the forecast of DAS, Office of Economic Analysis. The eligible businesses are assumed to employ 44.6% of total employees, and they work at an average of 36.5 hours a week.

Creates, Extends, or Expands Tax Expenditure: Yes No