

SB 299 -1 STAFF MEASURE SUMMARY

Senate Committee On Workforce

Prepared By: Debra Maryanov, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 4/10, 4/17

WHAT THE MEASURE DOES:

Directs Bureau of Labor and Industries to study issue of sick leave in Oregon.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Clarifies that “employer located in city with population exceeding 500,000” does not include employer who maintains temporary establishment only.

Clarifies that all employers may limit hours of paid sick time that employees may accrue to 40 hours per year. Establishes that employee count for purposes of determining whether paid sick time policy applies does not include director of corporation, member of limited liability company, or partner of limited liability partnership who has at least 51% ownership in one of those business types, or parent, spouse, or child of such individuals.

For employers with 10 or more employees, changes rate of pay for accrued sick leave used by employee paid on commission or piece-rate basis from employee’s regular pay rate to a rate no less than minimum wage; and by employees paid on both hourly, weekly, or monthly wage and by piece-rate or commission basis, at rate equivalent to employee’s hourly, weekly, or monthly wage.

Requires employer with sick leave policy, paid vacation policy, paid personal time off policy or other paid time off program that is substantially equivalent and more generous to employee than sick leave laws to comply with requirements of sick leave laws, at minimum, for first 40 hours that employer’s policy provides per year.

Amends definition of “payroll” for purposes of workers’ compensation law to exclude sick time pay as provided in sick time laws.

Clarifies that deduction of sick time leave for purposes of workers’ compensation benefits does not violate sick time laws.

Declares emergency; effective upon passage.

BACKGROUND:

Seven states and Washington D.C. currently require paid sick leave: Arizona, California, Connecticut, Massachusetts, Oregon, Vermont, and Washington. There are no federal laws that require employers to provide paid sick leave for their employees. In Oregon, the City of Portland implemented an ordinance in 2013 requiring employers with at least six employees to provide paid sick leave and smaller employers to provide unpaid, protected sick time. The City of Eugene followed in 2014 with a requirement that all employers provide paid sick leave.

In 2015, the Legislative Assembly enacted Senate Bill 454 requiring employers to provide sick time for employees. Whether the employer is required to provide paid or unpaid leave depends on the size of the employer. Employers with 10 or more employees, or at least six employees in Portland, must implement a sick time policy that allows employees to use up to 40 hours of paid sick time per year. Employers with fewer than 10 employees, or fewer than six employees in Portland, must implement a sick time policy that allows employees to use up to 40 hours of unpaid sick time per year. The method for calculating the number of employees employed by an employer is provided by

SB 299 -1 STAFF MEASURE SUMMARY

administrative rule. OAR 838-007-0015. Employers determine the number of employees by calculating the per-day average number of employees over 20 work-weeks in the calendar or fiscal year immediately preceding the year in which the leave is taken.

Senate Bill 299 directs the Bureau of Labor and Industries to study the issue of sick leave in Oregon.