

SB 299 A -A4 STAFF MEASURE SUMMARY

House Committee On Business and Labor

Prepared By: Jan Nordlund, LPRO Analyst

Meeting Dates: 5/24

WHAT THE MEASURE DOES:

Clarifies that employer may limit employee to accruing 40 hours of sick time per year. Clarifies employer may adopt policy limiting employee to accruing no more than 80 hours sick time in total and using no more than 40 hours in a year. Excludes certain individuals from count of employees. Modifies rate of pay for accrued sick leave for employees paid on piece-rate or commission basis. Provides that employer's time off policy need not comply with sick time requirements beyond first 40 hours that employer's policy provides per year. Applies to hour worked and sick time accrued or used after January 1, 2018. Declares emergency; effective upon passage.

- Senate vote 29-0

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A4 Define "substantial ownership interest" as at least 15 percent of ownership for purpose of determining who is an employee.

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 working for an employer is provided by 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-A amends Oregon's sick leave laws to clarify and limit the scope of requirements for employers.