



## Support SB 299: Oregon Sick Time Clarifications

After the 2015 Oregon Legislature approved SB 454, the Oregon Sick Time law, it quickly became apparent that many aspects of the bill needed clarification. In several key areas, regulatory rule-makers have adopted interpretations that are unfavorable to many small businesses. SB 299-A would clarify these aspects of the law to ensure that regulations reflect the original intent of lawmakers and the realities of operating a small business.

### Employer Location

SB 454 (2015) failed to clarify that businesses with operations within the city of Portland on a temporary basis (i.e. a farmer's market stand or construction trailer) are not subject to Portland's six-employee threshold for determining whether sick time will be paid or unpaid.

**SB 299-A clarifies that seasonal farm stands and temporary construction trailers located outside of the city of Portland are eligible for Oregon Sick Time, not Portland Sick Time.**

### Employee Count

SB 454 (2015) exempted parents, spouses and children of employers from the employee threshold for Oregon Sick Time. However, under recent interpretations, if an owner issues himself or herself a W-2 for taxation purposes, or to their family members, they are counted the same as any other employee. This pushes many unsuspecting family businesses over the threshold from unpaid to paid sick leave.

**SB 299-A clarifies that family members and business owners are exempt from the employee count for paid sick time. Negotiated language narrows this to more closely follow Oregon worker's compensation—requiring business owners to have a 'substantial ownership interest' and defining that interest. This will assist small and mid-sized family businesses working to comply with the law.**

### Piece Rate

Recent interpretations of SB 454 (2015) require farmers and other businesses that pay by the piece to average employees' earnings over a pay period to calculate the "regular rate of pay" for employees who take paid sick leave. For many family farmers, this new interpretation makes workforce availability uncertain at harvest time.

**SB 299-A realigns implementation with legislative intent. Unless the employee has an hourly, weekly or monthly rate of pay (i.e. hourly rate for pruning), piece rate employees can be paid the state minimum wage.**

### First 40 hours

Employers may provide paid time off (PTO) policies that are more generous than the 40 hours of sick time. The original intent of SB 454 (2015) was that only the first 40 hours of such a policy would be covered by the protections of the sick time law, regardless of what the employee used the time for. That way, employers and employees would not have to track the use of each hour, which is an advantage of a PTO policy.

**SB 299-A clarifies that only the first 40 hours of a PTO policy are covered by the specific protections of the Oregon Sick Time law.**

**Please vote 'YES' on SB 299-A**

From the Desk of  
Senator  
Bill Hansell

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