

**SB 299 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Hansell

**Senate Committee On Workforce**

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**Action Date:** 04/17/17

**Action:** Do pass with amendments and requesting subsequent referral to Ways and Means be rescinded. (Printed A-Eng.)

**Vote:** 5-0-0-0

**Yeas:** 5 - Gelsler, Hansell, Knopp, Monnes Anderson, Taylor

**Fiscal:** No fiscal impact

**Revenue:** No revenue impact

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**WHAT THE MEASURE DOES:**

Amends sick leave laws. Excludes from definition of “employer located in city with population exceeding 500,000” an employer that maintains only seasonal farm stand or trailer used temporarily on construction site solely for office purposes. Clarifies that all employers may limit hours of paid sick time that employees may accrue to 40 hours per year. Establishes that, for purposes of determining whether paid sick time policy applies to employer, certain individuals are excluded from the count of employees because of their substantial ownership position in corporation, limited liability company, limited liability partnership, or sole proprietorship, or because individual is a parent, spouse, or child of such individuals. Requires employers with 10 or more employees to pay for accrued sick time of employee who is paid on commission or piece-rate basis at rate no less than minimum wage; and for employee who is 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 or rate equal to minimum wage, whichever is greater. Requires employer that provides paid time off program that is substantially equivalent or more generous to employee than sick leave laws to comply with requirements of sick leave laws, at minimum, for first 40 hours provided under employer's policy per year. Declares emergency; effective upon passage.

**ISSUES DISCUSSED:**

- How measure counts employees of certain types of business entities
- Application of measure to temporary work locations in Portland
- Interaction of sick time and workers' compensation laws
- Rate of sick time pay for employees who are paid on piece-rate or commission basis
- How measure tracks paid time off policies that are more generous than required by sick time law
- Concerns about rolling back sick leave protections for workers

**EFFECT OF AMENDMENT:**

Replaces original measure.

**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.

## **SB 299 A STAFF MEASURE SUMMARY**

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. The measure clarifies that all employers may limit the number of hours of paid or unpaid sick time that an employee may accrue to 40 hours per year. For purposes of determining whether paid sick time policy applies to an employer, the measure establishes that an "employer located in city with population exceeding 500,000" does not include an employer that maintains only a seasonal farm stand or a trailer that is used temporarily on construction site for office purposes only. It excludes certain individuals from the count of employees on the basis of the individual's substantial ownership role in a corporation, limited liability company, limited liability partnership, or sole proprietorship, or if the individual is a parent, spouse, or child of such individuals. For employers with 10 or more employees, Senate Bill 299-A establishes the rate of pay for accrued sick time for employees who are paid by commission or on a piece-rate basis, or by a combination of a hourly, weekly, or monthly wage and a piece-rate or commission. The measure also establishes record-keeping requirements for employers that provide employees a paid time off program that is substantially equivalent or more generous to the employee than the sick leave laws.