

SB 299 B STAFF MEASURE SUMMARY

Carrier: Rep. Barreto

House Committee On Business and Labor

Action Date: 05/31/17

Action: Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

Vote: 8-0-1-0

Yeas: 8 - Barreto, Bynum, Doherty, Evans, Fahey, Hack, Heard, Holvey

Exc: 1 - Kennemer

Fiscal: No fiscal impact

Revenue: No revenue impact

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WHAT THE MEASURE DOES:

Clarifies that employer may limit employee to accruing 40 hours of sick time per year. Clarifies that 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 time 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. Clarifies that an employer who maintains only a seasonal farm stand or temporary construction trailer within Portland is not subject to the requirements on Portland employers. Applies to hours worked and sick time accrued or used after January 1, 2018. Declares emergency; effective upon passage.

ISSUES DISCUSSED:

- Clarification of sick time provisions could increase compliance
- Rulemaking after sick time legislation passed in 2015

EFFECT OF AMENDMENT:

Defines "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 time: Arizona, California, Connecticut, Massachusetts, Oregon, Vermont, and Washington. There are no federal laws that require employers to provide paid sick time 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 time 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 time.

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 time 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.

Senate Bill 299-B amends Oregon's sick time laws to clarify and limit the scope of requirements for employers.