SB 913 A STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Action Date: 03/16/23

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 5-0-0-0

Yeas: 5 - Bonham, Hansell, Jama, Patterson, Taylor

Fiscal: Has minimal fiscal impact **Revenue:** Revenue impact issued **Prepared By:** Whitney Perez, LPRO Analyst

Meeting Dates: 3/9, 3/16

WHAT THE MEASURE DOES:

Specifies when Director of Oregon Employment Department (OED) may dismiss request for hearing under family and medical leave insurance benefit program (Paid Leave Oregon). Modifies when benefits are available to self-employed persons and employees of tribal government. Changes maximum salary contribution amount to align with Social Security. Modifies OED rulemaking authority for equivalent employer-offered benefit plans. Specifies when OED may disclose otherwise confidential information and consequences when certain officers, employees, or persons improperly disclose confidential information. Requires director to establish appeal process for self-employed persons and tribal government regarding elective coverage, for employers in specified circumstances, and for covered individuals in specified circumstances. Defines "claimant" and modifies definition of "wages." Modifies definition of "employee" to exclude holders of public office, judges, and members of the Legislative Assembly. Excludes certain information related to final orders of OED within Paid Leave Oregon program from requirement that information be maintained in digital format. Modifies if Paid Leave Oregon applies to an employee's wages based on their place of employment. Specifies that Paid Leave Oregon benefits and contributions are not tax law subject to jurisdiction of tax court. Makes technical and conforming amendments to Paid Leave Oregon. Specifies applicability dates. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Paid Leave Oregon Advisory Committee position on measure
- Intent to have maximum wage equal to social security wage index for maximum contribution rate
- Impact of maximum contribution wage change on Paid Family and Medical Leave Insurance Fund
- Projected solvency of Paid Family and Medical Leave Insurance Fund

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

The family and medical leave insurance program, known as Paid Leave Oregon, is contained in ORS chapter 657B and was enacted by the Legislative Assembly in 2019. The Paid Leave Advisory Committee is composed of nine people who offer input into the Paid Leave Oregon benefit program. Paid Leave Oregon allows Oregon employees to take paid time off for specified family, medical, or safety-related leave, such as family leave to care for a family member with a serious illness or family leave to care for a child following birth. Paid Leave Oregon required employees and employers with 25 or more employees to begin making contributions into the program on January 1, 2023. Employees can begin applying for benefits under Paid Leave Oregon on September 3, 2023. Employers can opt to offer employees their own equivalent plan to Paid Leave Oregon, which must be approved by the Oregon Employment Department. Self-employed persons and independent contractors can elect to participate in

Carrier: Sen. Taylor

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Paid Leave Oregon.

Senate Bill 913 A makes several technical changes to Paid Leave Oregon and modifications to procedures, including modifying procedures for requesting a hearing, determining when benefits are available to certain persons, and disclosing of confidential information. SB 913 A also changes the fixed maximum wage subject to Paid Leave Oregon contributions to match the U.S. Social Security contribution and benefit base limit.