

SB 31 A STAFF MEASURE SUMMARY
House Committee On Business and Labor

Carrier: Rep. Grayber

Action Date: 04/24/23

Action: Do Pass the A-Eng bill.

Vote: 9-0-2-0

Yeas: 9 - Boshart Davis, Elmer, Grayber, Holvey, Hudson, Nelson, Osborne, Scharf, Sosa

Exc: 2 - Nosse, Owens

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Erin Seiler, LPRO Analyst

Meeting Dates: 4/12, 4/24

WHAT THE MEASURE DOES:

Requires Director of Oregon Employment Department to determine whether Family and Medical Leave Insurance (Paid Leave Oregon) fund is solvent by August 11, 2023 for benefits to be claimed and grants awarded on or after September 3, 2023. Specifies delay of benefit payments and grant awards if fund is insolvent. Specifies quarterly review of fund for solvency if fund is initially determined to be insolvent. Specifies process for quarterly solvency assessments and actions taken following the solvency assessment. Requires director to provide notice to employers and covered individuals before commencing benefit payments or grants if fund was initially found insolvent. Defines "solvent" and "solvency of the fund." Sunsets September 3, 2026. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Intention to be statutory contingency plan
- Paid Leave Oregon does not have fund solvency concerns
- When measure requires notice to employers and covered individuals

EFFECT OF AMENDMENT:

No amendment.

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. 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 requires 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 Paid Leave Oregon.

Senate Bill 31 A requires the Director of the Oregon Employment Department to determine whether the Paid Leave Oregon fund is solvent by August 11, 2023 for benefits to be claimed and grants awarded on or after September 3, 2023, and provides for delay of benefit payments and grant awards if the fund is found to be insolvent.