From the Desk of:
Representative Jim Weidner

March 20, 2015

Business Opposes HB 2600

The Federal Family Medical Leave Act (FMLA) currently requires employers with 50 or more employees to continue paying their portion of a worker's health insurance premium for up to 12 weeks of qualified family leave. HB 2600 expands that requirement in two significant ways:

Smaller Employers

HB 2600 adds this same requirement to smaller employers – those with 25-49 employees.

Longer Leaves

HB 2600 requires employers to pay their portion of a worker's health insurance premium for as long as the worker is on Oregon Family Leave (OFLA). Depending on the circumstances, Oregon Family Leave can last longer than FMLA. Under OFLA, employees may qualify for 24 weeks of leave, or even (in unusual circumstances), up to 36 weeks. That means that larger employers could be required to continue paying premiums for an additional three to six months. For smaller employers, it means they could be paying all or a portion of a worker's premiums for any length of family leave – from one to nine months, depending on the situation.

Many employers pay from 75% to 90% of the full premium, depending on the employee's status. In round numbers, this could be $800 to $1,000 or more per month, per person on leave.

This creates a substantial hardship on the employer, who often must pay for a replacement employee on top of the benefit coverage for the employee on leave.

Health insurance costs for employers remains a top concern and the number one cost of labor above wages. HB 2600 adds to this burden – we urge your "no" vote.