

# HB 3385 – Supporting Oregon Families: Oregon Paid Family Leave Act of 2019

Whether you are an expecting parent, fostering or adopting a child, you deserve to take time to care for your child without having to sacrifice your savings or your job. Working Oregonians also need to know that if they are faced with a serious health condition, they have access to wage-replacement while recovering or seeking treatment. The Oregon Paid Family Leave Act of 2019 would allow employees to secure paid and protected leave through an affordable payroll deduction that pools employees across the state to access existing insurance products available today!

## What does this mean for Oregon families?

Every full-time and part-time employee in Oregon will be eligible for Paid Family Leave and your ability to access the pool follows you job-to-job, regardless of your employer. The Oregon Family Paid Leave Act of 2019 will provide wage replacement to employees to help them bond with a child, care for a close relative with a serious health condition or help relieve family pressures when someone is called to active military service. Employees are also guaranteed to be able to return to their job and continue their health insurance.

## What does HB 3385 do?

HB 3385 takes a creative approach to developing a statewide paid family leave pool that is affordable for employees, efficient for employers to implement and utilizes existing insurance programs – saving the state millions! Alternative models of a state-run system could add up to 242 new employees just to staff a state-run-insurance-benefit-program. In Washington, this system price tag was estimated at \$82M and included a separate cost of \$79.9M for a new IT system.

### The Plan:

- Creates the OR Paid Family and Medical Leave Board
  - Similar to the Oregon Saves Board, this diverse and knowledgeable board will be charged with creating a statewide leave plan that utilizes existing insurance leave products and then will manage those contracts. The Board will be responsible for ensuring premiums stay low and valid claims are approved on a timely basis.
- Establishes a statewide leave program
- Premiums will be collected via a payroll deduction
- Employees will fund their own premiums though a deduction not to exceed .4% of their payroll
  - An employee-paid program will align Oregon with the majority of other state paid family leave programs, like California, New Jersey, New York and Rhode Island, where employees are able to invest in their own paid leave. In addition, this model protects limited state resources. Early estimates on employer funded models, even at .5% of payroll, would cost our school districts upwards of \$100M a year. An employee funded program, via payroll deductions into a private insurance plan, ensures 100% portability for all employees, regardless of the size of their employer.
- Provides 6-weeks of medical leave + 12 weeks of family leave
- Includes job protection for an employee utilizing leave and prohibits retaliation or discrimination
- Allows for employer-specific plans that are equivalent or greater than the Board managed plans
- Requires concurrent leave with OFLA/FMLA
- Requires a labor market, cost-benefit and legal analysis of the plan
- Provides reasonable remedies that utilize existing appeal processes