

## HB 2005 A STAFF MEASURE SUMMARY

### House Committee On Rules

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**Action Date:** 06/13/19  
**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)  
**Vote:** 4-1-2-0  
**Yeas:** 4 - Holvey, Nosse, Smith Warner, Williamson  
**Nays:** 1 - Sprenger  
**Exc:** 2 - Boles, Wilson  
**Fiscal:** Fiscal impact issued  
**Revenue:** Revenue impact issued  
**Prepared By:** Josh Nasbe, Counsel  
**Meeting Dates:** 6/11, 6/13

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#### WHAT THE MEASURE DOES:

Creates insurance program to provide employees with portion of wages while on family, medical, or safety-related leave. Directs Employment Department to administer program. Requires eligible employee to have received at least \$1,000 in wages during base year. Allows self-employed individuals and tribal government employers to opt into program. Requires employer to pay 60 percent of contributions and employee to pay 40 percent. Exempts employers with fewer than 25 employees from obligation to pay contributions. Creates formula to determine benefits. Caps eligible employee's average weekly wage used in calculation at total yearly wages of \$132,900. Caps weekly benefit amount at 120 percent of state average weekly wage (approximately \$1,215) and establishes floor at five percent (approximately \$50). Provides job protections for employees who utilize program. Authorizes maximum of 12 weeks of insurance benefits, with total paid and unpaid leave capped at 18 weeks. Authorizes use of vacation or sick time to supplement insurance, up to 100 percent of wages, with consent of employer. Allows employer, with Department approval, to provide leave benefits through equivalent plan. Establishes civil and criminal penalties for violations of measure. Preempts related local ordinances. Provides Department with collection tools, including ability to issue warrants that sheriff may enforce in same manner as civil judgment. Establishes personal liability for certain officers, members, or partners for amounts in default. Appropriates unstated amount to enable Department to implement program, with requirement that Department reimburse General Fund by January 1, 2023. Requires collection of contributions beginning January 1, 2022, with benefits payable beginning January 1, 2023.

#### ISSUES DISCUSSED:

- Unemployment insurance as model; state administration of program
- Contributions by employer and employee
- Full wage replacement for low-income workers; job protections
- Small and large businesses; true costs; grant program
- Legislative work group

#### EFFECT OF AMENDMENT:

Replaces the measure.

#### BACKGROUND:

Family and medical leave is protected time off from work to recover from a serious illness, care for a family member who is ill, or bond with your newborn or newly adopted child. More than half of Oregon workers are eligible for unpaid family and medical leave benefits under the federal Family and Medical Leave Act of 1993 (FMLA) and the Oregon Family Leave Act (OFLA). Other Oregon laws provide unpaid protected leave for

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employees to address events arising from domestic violence, sexual assault, stalking, and criminal harassment, and for an employee whose spouse is notified of an impending call or order to active duty or impending leave from deployment (Oregon Military Family Leave Act). However, neither Oregon nor federal law requires any employer to pay employees for time on medical and family leave beyond the amount of vacation and sick leave accrued by the employee. Oregon does require employers of 10 or more workers (six for employers in Portland) to allow employees to accrue and use up to 40 hours of paid sick leave each year.

California, Massachusetts, New Jersey, New York, Rhode Island, Washington, and the District of Columbia have adopted paid family leave programs.