Concern or good governance?

During its recently completed session, the Oregon Legislature passed **Senate Bill 31**, which Governor Tina Kotek then signed into law. This bill requires the director of the Employment Department to determine the solvency of Oregon Paid Leave (OPL), the new paid family leave program.

Contributions by employees and large employers for the OPL program began on January 1, 2023. Benefits are supposed to be available to eligible workers beginning September 3, 2023.

If the director determines that the plan is not solvent, the state can delay the start of the benefits payments under the program. By August 11, 2023, the director must complete the first solvency report. If the plan is deemed to be insolvent, the director must delay the start of any benefit payments until December 3, 2023. Updated reports are required quarterly after that and are due within two weeks after the combined quarterly reports are due from employers.

Additional information on benefits, premiums and qualifying situations can be found on the OPL program website at:

https://paidleave.oregon.gov/

Paid Leave Director Karen Humelbaugh thinks that SB 31 is an important safeguard, but not a reason for concern. Since the Oregon Legislature does not meet year-round, if financial issues were to arise, they may not be able to address any solvency concerns immediately, so this legislation provides the director with the ability to act if needed.

The OPL program can provide eligible employees with benefits that enable them to care for members by taking leave in the event of a serious health condition or need of safe leave. Eligible employees can take up to 12 weeks paid leave in a 52-week period. Leave may be a week at a time, several days or even a single day, depending on circumstances. Benefits range from $540 per week to $1,469.78 per week, depending on the employee's earnings prior to the qualifying event.

About Alera Group

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