

# How Employers Can Prepare for the Paid Leave Oregon Program

Article By:

Mark A. Crabtree

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The Paid Leave Oregon program commences on January 1, 2023. As an initial step, most Oregon employers must alert employees about the program and begin paying into the state insurance plan. The law requires employers post the Oregon Employment Department's [model notice](#) at the worksite and distribute the same notice to remote workers.

Additionally, for most employers, the law requires Oregon employers withhold and remit contributions to the program starting January 1, 2023. Total contributions are one percent of each employee's gross wages, up to an annual maximum of \$132,900. Employers with 25 or more employees are required to pay 40% of the contribution with employees paying 60%, although employers of all sizes may choose to pay a portion, or all, of the premium on behalf of employees. Employers with fewer than 25 employees are not required to contribute the employer portion of the premium, but are still responsible for collecting the employees' contribution.

Employers have the option of obtaining state approval for an equivalent plan. The Oregon Employment Department has prepared a [check list](#) and [application form](#) for equivalent plans. Employers seeking approval for an equivalent plan must offer benefits to employees that are equal to or greater than those provided by the state through the Paid Leave Oregon program. Once approved by the state, an equivalent plan becomes effective at the start of the next calendar quarter.

Benefits under the Paid Leave Oregon program become available to employees on September 3, 2023. Benefits are available to part-time, full-time, and seasonal employees that experience a family or medical event. Eligible employees can take up to 12 weeks off from work in a benefit year, and in some situations up to 14 weeks. The state will make eligibility determinations and pay eligible employees out of the state fund. An employee's weekly benefit amount is determined by comparing the employee's salary against the state's average weekly wage. In 2023, the Department's designated "average weekly wage" is \$1,224.82. Employees who earn less than 65% of the average weekly wage will receive full wage replacement during the leave period. Employees who earn more than 65% of the average weekly wage will receive additional amounts, up to 120% of the state's average weekly wage (currently approximately \$1,469).

While employees apply directly to the Department to initiate a benefits claim, employers may require advance notice from any employee planning or taking leave. Restoration and reinstatement rights

vary based on a variety of factors including but not limited to size of the employer and length of employment of the employee.

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