Background

Since 1995, Oregon Family Leave Act (OFLA) has provided up to 12 weeks of unpaid job protected leave in a one-year period for the following reasons:

- Leave to care for your own serious health condition or to care for a covered family member with a serious health condition
- Sick child leave (leave for care of a child with a non-serious health condition or due to school and childcare closures for public health emergencies)
- Parental leave
- Pregnancy disability
- Military family leave
- Bereavement leave

OFLA is the state level equivalent of the federal Family and Medical Leave Act.

In 2023, Oregon implemented Paid Leave Oregon (PLO). The new type of leave provides up to 12 weeks of paid job protected leave in a one-year period for the following reasons:

- Leave to care for your own serious health condition or to care for a covered family member with a serious health condition
- Parental leave
- Safe leave

PLO is the state paid family and medical leave act.

Early in the implementation of PLO it became clear that there were conflicting provisions in the OFLA and PLO statutes as well as significant overlap. When these issues were recognized, the state began a process to amend the statutes.

Changes Effective July 1, 2024

The first step was taken in July of 2023 when <u>Senate Bill 999</u> (SB 999) was enacted. The bill aligned provisions of OFLA and PLO, including the provision defining the "one-year period" for allotment of leave. OFLA currently allows the use of the same four methods for tracking the one-year period that are used by the federal Family and Medical Leave Act (FMLA). Under SB 999, starting July 1, 2024, employers can no longer use those four methods. Instead, the OFLA one-year period must be measured in the same way as it is under PLO. The period will be measured as the one-year period beginning on the Sunday immediately preceding the date on which leave commences and looking forward 52 consecutive weeks from that date.

Please note: The required one-year allotment period under OFLA and PLO does not align to any of the four methods available under FMLA. The method that measures the 12-month period forward from the first day of an employee's leave method is close to the OFLA/PLO requirement, but it does not directly align because it does not start the period on the Sunday immediately preceding the first day of leave. The automatic change to your OFLA allotment period in the system will not impact your chosen FMLA leave allotment method. FMLA leave will continue to use one of the four existing allotment methods.

The next step was taken in March of this year when Oregon enacted <u>Senate Bill 1515</u> (SB 1515). The legislation makes multiple changes to the OFL and PLO statutes that are effective July 1, 2024.

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The first major change is the removal of parental leave, leave to care for an employee's own serious health condition, and leave to care for a family member's serious health condition (except for care of a sick child) from the list of covered conditions under OFLA.

Since the passage of the legislation there have been questions around the handling of employees who have already been approved for OFLA beyond the effective date of the changes for one of the removed reasons. Earlier this month Oregon issued a Temporary Administrative Order addressing those questions. The state notified employers that they may rescind an OFLA approval for dates on or after July 1, 2024, if the approval is for a leave reason that is no longer covered after that date. Employers were required to notify employees of this rescission by June 1, 2024, and provide instructions on how to apply for PLO to cover the absence instead.

Please note: The changes to OFLA and PLO do not impact the reasons for leave covered by federal FMLA. Eligible employees will still be able to use FMLA leave for their own serious health condition, the serious health condition of a qualified family member, bonding, to care for a qualifying exigency and to care for an injured service member.

Going forward, OFLA will cover:

- Leave to care for a child with a serious health condition
- Sick child leave (leave for care of a child with a non-serious health condition or due to school and childcare closures for public health emergencies)
- Pregnancy disability

- Military family leave
- Bereavement
- Leave to facilitate the legal processes required for placement of a foster child or adoption for the period from July 1, 2024 through December 31, 2024.

As of July 1, 2024, OFLA will no longer run concurrently with PLO.

Eligible employees will need to use either OFLA or PLO for leaves that qualify under both statutes. For example, care of a child with a serious health condition continues to be covered under both statutes. In this situation the employee will be required to use one type of leave at a time as opposed to having the time run concurrently under both OFLA and PLO.

The above information covers the major changes to OFLA and PLO that are effective July 1, 2024, and the impact to Voya's VLM administration. Please visit the following Oregon websites for additional information on OFLA and PLO updates and changes:

Oregon Family Leave Act

Paid Leave Oregon

For more information about the changes, please contact your Voya representative.

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This material is not legal advice and is provided for informational purposes only. Employers should consult their own employment or benefits counsel for advice concerning their specific obligations under state-mandated disability and paid family and medical leave laws.

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