

December 7, 2022

To All HRCSD staff:

We want to notify you of how Hood River County School District (HRCSD) intends to implement Paid Leave Oregon. Paid Leave Oregon is a program that the Oregon legislature passed in 2019 and will begin September 3, 2023 that allows individuals to take paid time off to care for themselves and their loved ones for qualifying situations. It is funded by contributions from both employers and employees. You can find more information about Paid Leave Oregon here: <https://paidleave.oregon.gov/Pages/default.aspx>

Employers with 25 or more employees have three options for the program: (1) the state program where the State of Oregon administers the paid leave benefit through the Employment Department, (2) an employer administered equivalent plan where the employer assumes all the financial risk associated with the benefits and administration of the plan, or (3) a fully insured equivalent plan where the employer purchases an insurance policy from an insurance company approved to sell Paid Leave Oregon products, and the benefits related to the plan are administered by the Insurance Carrier. The state program requires employees and employers to begin paying into the fund January 1, 2023. The alternatives to the state plans are called equivalent plans and must provide at least the same benefits as the state's program. With an equivalent plan, paycheck deductions are not anticipated to begin until the benefits are available in September 2023. Employers must contribute a minimum of .4% of the cost of annual wages up to the maximum of \$132,900 in wages adjusted annually. while employees will contribute .6%. Example, gross payroll \$1000.00, employee contributes \$6.00 ( $\$1,000.00 \times .006 = \$6.00$ )

HRCSD has determined that providing these benefits through a fully insured equivalent plan is the best option for the district and its employees. Several factors influenced the district's decision to utilize a fully insured equivalent plan. First, we believe that providing this benefit through an insurance carrier will provide better service and results for employees who use this benefit. Recent experiences with the Oregon Employment Department have raised concerns about whether the agency will be able to administer this employee benefit in a timely, accurate and transparent manner. An equivalent plan administered by an insurance carrier will also provide employees with better information about their benefits, since they can log onto a portal to check their benefits, unlike the state plan. Finally, we believe that we will not need to begin payroll deductions until your first paycheck in the 2023-2024 School / Fiscal Year.

We are working with The Standard Insurance Company to monitor developments and guidance related to Paid Leave Oregon and will provide updates to staff when information becomes available.

If you have any questions, please contact Business Services, [gretchen.winans@hoodriver.k12.or.us](mailto:gretchen.winans@hoodriver.k12.or.us), [stephanie.pickering@hoodriver.k12.or.us](mailto:stephanie.pickering@hoodriver.k12.or.us), or [doug.holmes@hoodriver.k12.or.us](mailto:doug.holmes@hoodriver.k12.or.us).