

Publications

Labor and Employment Alert: Oregon Requires All Employers to Provide Sick Leave to Their Employees

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CLIENT ALERT | 7.29.2015

UPDATE: TWO MORE LOCALS ENACT PAID SICK LEAVE LAWS

On August 11, 2016 a client alert was published informing that Montgomery County, Maryland, and Pittsburgh, Pennsylvania, are the latest locales to require that employers provide paid sick leave to their employees. For more information, [click here](#).

ORIGINAL ALERT:

Oregon is now the fourth state, after Connecticut, California, and Massachusetts, to mandate that employers provide their employees with sick leave benefits. Oregon's new sick leave law goes into effect on January 1, 2016, applies to **all** private- and public-sector employees, and in most cases, requires that the sick leave be paid. The law imposes posting and notification requirements on employers to ensure that employees are aware of their rights under the law and the amount of sick leave that they have accrued.

The law requires employers with 10 or more employees to provide employees in Oregon with up to 40 hours of **paid** sick leave annually. Sick leave pay is based on the employee's regular rate of pay (or the state's minimum wage if paid on commission or piece-rate). Employers with fewer than 10 employees must provide up to 40 hours of **unpaid** sick leave. With some limited exceptions (such as independent contractors, federal employees, and those employed by a parent, spouse, or child), the law applies to all full-time, part-time, temporary and seasonal employees.

Employees will begin accruing sick leave on January 1, 2016, or on the first date of employment if hired after that date. Sick leave accrues at a rate of one hour per every 30 hours worked, or 1-1/3 hours for every 40 hours worked. Exempt employees are presumed to work 40 hours per week unless their actual work week is less than 40 hours. As an alternative to accruing leave, employers can frontload employees with

their full leave allotment at the beginning of each year.

If employees are accruing leave, they must be allowed to carry over up to 40 hours of unused sick leave to the following year, up to a maximum accrual of 80 hours. Carryover is not required if the employer and employee agree to payout the unused sick leave at the end of the year and the employer then frontloads the employee's leave allotment at the beginning of the next year. Accrued but unused sick leave does not have to be paid upon separation from employment.

Employers that already provide their employees paid time off under a paid leave policy (like PTO) are not required to provide additional paid sick leave so long as employees are permitted to use at least 40 hours of leave per year for the purposes covered under the law and the policy meets the minimum requirements under the law.

Under the law, sick leave can be used (1) for an employee's own illness, injury, or health condition, including time off for medical diagnosis, care, treatment, and preventive care; (2) to similarly care for a family member (spouse, parent, parent-in-law, child, grandparent, grandchild); (3) for bereavement, caring for a newborn or newly adopted/foster child, or sick child leave; (4) for any purpose allowed under Oregon's domestic violence, harassment, sexual assault, or stalking law; (5) to donate accrued sick time to another employee if the employer has a leave donation policy; or (6) in the event of a public health emergency, including when the employer excludes the employee from the workplace by law or rule for health reasons.

This is only a summary of Oregon's sick leave law. The Oregon Bureau of Labor is expected to issue additional rules and template notices and posters for employers. If you have operations in Oregon, contact your Vorys lawyer for assistance in complying with the law's requirements.