

# EMPLOYEE BENEFITS COMPLIANCE UPDATE



DECEMBER 2022

## Paid Leave Oregon – Model Notice Posting Deadline and Tax Guidance

Parker, Smith & Feek would like to remind employers about the OR PFML requirement deadline that is approaching on January 1st, 2023. Employers who have workers in OR should be aware of this important deadline approaching.

### JANUARY 1ST PROGRAM REQUIREMENTS

All employers with employees working in Oregon should be planning for the upcoming January 1st requirements.

#### Employee Notification –

##### Employers Participating in The State Plan

- Post the [model notice poster](#) at each worksite. The notice must be provided electronically or by mail to any remote workers.
- Notify employees that payroll deductions will begin January 1st. The state has not yet provided a model notice. Employers may want to consider including one of the fact sheets from the [Resources](#) section of the PLO website.
- Provide new hires a PLO notice and the required employee contribution at the time of hire.

#### Employee Notification –

##### Employers Opting Out of The State Plan

- Prepare a notice that describes the benefits of the equivalent plan. The notice must be posted at each worksite and provided electronically or by mail to any remote workers.
- Communicate to employees that the paid leave program will be a private plan and include timing of payroll deductions.

- Provide new hires a notice regarding the equivalent plan and the timeline for when employee contributions will begin.

#### Payroll Deductions

- Employers with an approved DOL or approved equivalent plan application (submitted to the state prior to November 30, 2022) are not required to begin payroll deductions on January 1, 2023. Payroll deductions for an equivalent plan may begin in September of 2023 when the equivalent plan is effective.

» **CAUTION:** If the employer does not have an approved equivalent plan by June 30th, they will be responsible for all contributions and applicable interest/penalties, retroactive to January 1, 2023.

» **CAUTION:** Employee contributions cannot be collected retroactively if the employer fails to secure an approved equivalent plan.

» Employers have the option of collecting employee contributions in January to set those funds aside in an account held separately from employer assets. Once the equivalent plan is approved, employee contributions for any time prior to September 2023 would need to be returned to employees.

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EMPLOYEE BENEFITS

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SURETY



- Employers participating in the state plan should be prepared to take employee deductions and set aside the employer contribution (if they have 25 or more nationwide employees) beginning January 1, 2023.
- All employers should register with the [Oregon Frances Online](#) system for combined payroll reporting that will include PLO.

Additional information can be found here on our IMA website: [imacorp.com/benefits/compliance/paid-leave-oregon-employer-action-required-for-or-workers/](https://imacorp.com/benefits/compliance/paid-leave-oregon-employer-action-required-for-or-workers/)

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