



Oppose HB 3031: Cadillac-Style Family Leave Mandate

Perhaps the most aggressive paid family and medical leave legislation under consideration in the country (besides the extreme and unreasonable SB 947), HB 3031 would fund up to 32 weeks of paid and protected leave for Oregon employees!

Reduced employee threshold burdens small businesses.

Unlike the Oregon Family Leave Act (OFLA), which provides protected leave in workplaces of 25 or more employees, HB 3031 applies to employers with just ONE employee! This new threshold will harm Oregon's smallest employers.

New paycheck taxes aren't the only costs of administration.

Unlike most other family leave programs in the country, HB 3031 saddles Oregon employers with 50% of the cost of the employee benefit program. It's important to note that both the employer and employee will be required to pay for the program regardless of existing benefits.

There also is price tag to pay for additional state employees, office space, and the data infrastructure that would be needed to administer a state-run family leave insurance program. Last year, a work group on paid family leave estimated that similar proposals would require an additional 242 state workers and extensive IT development process.

Job protection layers costs on Oregon employers.

HB 3031 would more than double the amount of time that employers would have to find coverage for an absent employee! Many employers would be forced to turn to other employees and pay overtime, hire temporary employees, employ new technology, or lose productivity while the employee is on leave. These are all costs associated with HB 3031.

Under HB 3031, employers will be required to return the employee to an "equivalent position" with all the same benefits, pay and other terms and conditions of employment, regardless if the employer had to fill the position with a temporary replacement worker. It would be impossible for most small businesses to do what HB 3031 asks of them.

Expanded definition of 'family' increases the costs of the program.

We question how the proposed family-leave insurance fund would sustain itself. It is unclear whether the proposed payroll tax would generate enough money to cover the long benefit period and expansion of eligible uses, which will undoubtedly result in wider use of the program. The expanded definition of 'family' to *those whom the employee has a close association with* in HB 3031 must be analyzed by an actuary to determine the real costs of the proposed benefit.

Employer contribution and benefit requirements burdens local governments.

HB 3031 doesn't just apply to the private sector—the mandate extends to local governments and school districts who already are overly burdened by unsustainable PERS costs.

Please vote NO on HB 3031