Workforce Impacts of Paid Family, Medical, and Safe Leave in Oregon



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Questions?

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Please direct questions about eligibility, claims, benefits, or other aspects of the **Paid Leave Oregon** program to **PaidLeave@Oregon.gov**.

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Executive Summary

Paid Leave Oregon will provide paid leave time for parents bonding with new children, serious health conditions experienced by workers or their families, or those needing safe leave. While the paid benefits are new as of September 3, 2023, the situations they cover have long existed in the workforce.

- About 45,600 Oregon women ages 15 to 50 gave birth to children in the past 12 months. Seven out of 10 had also worked in the past 12 months; six out of 10 were still employed.
- Some adults in the West region of the U.S. who worked in the past week also had serious health conditions in life, such as arthritis/fibromyalgia (13%), cancer (7%), or coronary heart disease (2%).
- In 2016 and 2017, 1.6 million women and 848,000 men in the U.S. had missed at least one day of work due to intimate partner violence or stalking.

Leave for some conditions covered by Paid Leave Oregon was already accessible through other paid or unpaid forms of leave.

- Employer-provided benefits include access to unpaid leave time and paid sick leave time at a majority of firms both nationwide and in Oregon.
- Workers at larger businesses had protected, unpaid leave available through either the Family Medical Leave Act (FMLA) or the Oregon Family Leave Act (OFLA).
- Paid parental leave is available to all federal government workers.

Existing programs have not been equally accessible to all workers. Workers who were either younger, those with less educational attainment (regardless of age), and workers of Hispanic or Latino origin were less likely to have access to leave.

Even with the existing patchwork of available leave options to workers, there is still some unmet need for leave time.

- In the average week in 2017 and 2018, 9.2% of all workers with existing, employerprovided paid leave time in the U.S. needed to take leave from work, but did not.
- Of these workers with access to paid leave who needed leave and did not use it, 43% needed leave for family medical care or illness; 17% needed time off for their own medical care; and 15% needed leave for the birth or adoption of a child.

- The most common reasons cited for not taking needed leave time included having too much work to do, wanting to save leave time, and the inability to afford the loss of income.
- Nearly one-fifth (19%) of federal workers with paid parental leave took less than the full 12 weeks. More than half who took less than their full leave time felt they could not be away from work responsibilities for that long.

Washington's Paid Family and Medical Leave (PFML) program began paying benefits to workers in January 2020. Washington's program is similar to Oregon's in many of its provisions for paid leave, such as time to bond with a newly born or placed child in a family, and for workers' own or their family members' serious health conditions.

- Washington's first month of claims was the highest volume in the program's first three years of operation at 24,600, or 0.93% of program-eligible workers.
- Health care and social assistance was the only sector in Washington with a notably higher share of workers with approved claims (18%) than its share of all eligible workers (12%) for the program.
- Women, and workers in their thirties, made up notably larger shares of those approved for paid family and medical leave than their shares of all eligible workers in Washington.
- On average, workers who took paid family and medical leave in 2022 did not use the full amount of eligible time away from work.

Using the Washington experience as a guideline, and excluding workers who are either ineligible or covered by their employers' equivalent plans, leaves some idea of what usage could look like in the Paid Leave Oregon program.

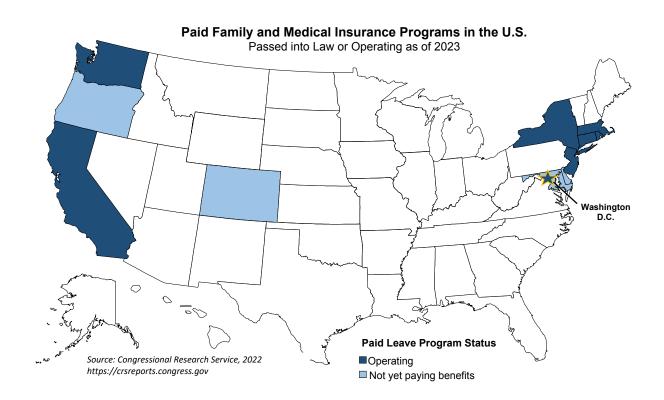
- If Oregon's experience is similar to Washington's, the Paid Leave Oregon program could possibly expect between 14,000 and 21,000 claims for benefits in September 2023. Existing eligibility back to September 2022 and maximum program usage for parents' bonding time with new children could potentially put September 2023 claim volume as high as 37,000.
- Monthly claim volume would likely stabilize at a lower level in an established Paid Leave Oregon program. If Oregon's experience looks similar to Washington's, Oregon could expect roughly between 10,000 and 14,000 monthly claims for Paid Leave Oregon benefits in a more established program.

• Oregon's eligibility threshold is lower than Washington's, and provides larger benefits relative to workers' earnings, which could affect program usage and total claims.

While Paid Leave Oregon is a new program almost all Oregon workers are participating in through payroll contributions that began in January 2023, the situations that interrupt the working lives of Oregonians have always existed. With the first benefits to be paid in September 2023, Paid Leave Oregon broadens the net of available, job-protected, paid leave options to the workforce.

Oregon's New Paid Leave Program

Oregon is the 12th among all states and D.C. to pass a paid family and medical leave program into law. The **Paid Leave Oregon program** automatically includes coverage for private-sector and state and local government workers. Paid Leave Oregon includes paid family leave from work to bond with a child in the first year following birth, adoption, or foster care placement. Paid Leave Oregon also includes paid medical leave for workers to care for their own or a family member's serious health condition that requires inpatient care, poses the danger of imminent death or causes a period of incapacity, or requires ongoing care or treatment. Oregon's law also provides paid safe leave coverage to survivors of sexual assault, domestic violence, harassment, or stalking.



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The **paidleave.oregon.gov** website provides the following program details on their main page. Please visit the website for more in-depth information and to **learn about qualifying events**.

How Does Paid Leave Work?

- Starting January 1, 2023, payroll employees, regardless of employer size, and large employers with 25 or more employees began paying into the program.
- Large employers pay 40% of the 1% contribution rate (the amount you pay into the program), and employees pay 60% of the 1% total contribution rate.
 Learn more about contributions.
- If you're an employer with fewer than 25 employees, you are considered a small employer. You can choose to contribute, but you are not required to pay into the program. You are required to collect and submit your employees' contributions starting January 1, 2023. Learn more about your role as a small employer.
- On September 3, 2023, benefits start.

Learn more about how Paid Leave Oregon defines large and small employers.

Who's Eligible for Paid Leave Benefits?

If someone is eligible for benefits, it means they're able to participate in Paid Leave Oregon. Employees who work in Oregon and who made at least \$1,000 the year before they apply for Paid Leave may be eligible for benefits.

- If you work full time, part time, or for more than one job or employer, it counts.
- If you're self-employed or an independent contractor, you're not automatically covered—but you can choose coverage. Find out how to choose coverage and what it means to be self-employed or an independent contractor.
- Tribal governments are not automatically covered, and are not required to participate but can choose to offer coverage.
- Federal government employees are not eligible for Paid Leave Oregon benefits.

What Benefits Does Paid Leave Offer to Employees?

- Employees can take up to 12 weeks paid leave in a 52-week period (starting from the day leave begins) for **family, medical, or safe leave**. If pregnant, in some situations, an employee may be able to take up to two more weeks for a total of 14 weeks.
- Employees can choose when and how to take the time off.
- Paid Leave pays employees a percentage of their wages while they're on leave.
- Paid leave protects an employee's job and role if they've worked for the same employer for at least 90 consecutive days.

You can **sign up to receive updates** about Paid Leave Oregon. Please direct questions about eligibility, claims, benefits, or other aspects of the Paid Leave Oregon program to **PaidLeave@oregon.gov**.

Existing Paid Leave-Related Conditions in the Workforce

While Paid Leave Oregon provides a paid benefit that is new as of September 2023, the situations it covers have occurred within and outside of the workforce throughout the years. Over the course of our working lives, many of us will experience some event or condition that qualifies for Paid Leave Oregon benefits.

Work and Pregnancy or New Parenthood

Nationally, the U.S. Census Bureau **reports** that between 1961 and 1965, more than two out of five women (44%) who became parents for the first time worked during pregnancy. Since then, working during pregnancy has become more prevalent. Between 2016 and 2019, two-thirds (67%) of U.S. women worked during pregnancy with their first child.

In addition, the majority of first-time parents in the U.S. took some type of paid or unpaid leave in the 12 weeks following the birth of a child. Between **2016 and 2019**, two-thirds (67%) of men and nearly all women (96%) used some type of paid or unpaid leave in the 12 weeks after their first child was born.

Between 2017 and 2021, an average of about 45,600 women ages 15 to 50 in Oregon gave birth to children within the past year. Seven out of 10 (or 71%) of these women had also worked in the past 12 months, and six out of 10 were still currently employed.

Weeks Worked	Number	Share
Did not work	13,125	29%
1-13 weeks	2,405	5%
14-26 weeks	2,857	6%
27-39 weeks	3,280	7%
40-47 weeks	3,452	8%
48-49 weeks	977	2%
50-52 weeks	19,529	43%
Total	45,625	100%

Oregon Women Ages 15 to 50 Who Gave Birth to Children in	
Past 12 Months, by Weeks Worked in Past 12 Months	

Source: Oregon Employment Department, IPUMS USA, American Community Survey 2017-2021

Paid Leave Oregon also extends paid parental leave to those who have adopted or started fostering a child in the past 12 months. The U.S. Department of Health and Human Services Administration on Children, Youth and Families, **reports on trends** in foster care and adoption. Between fiscal years 2017 and 2021, an average of 3,200 children in Oregon entered foster care each year, and an average of 750 children were adopted in Oregon each year.

Working with Serious Health Conditions

Throughout the years, some portion of the workforce has also experienced **serious medical conditions** themselves or in their family. For Paid Leave Oregon purposes, serious medical conditions include those that require inpatient treatment, pose a threat of imminent death or a period of incapacity, or require ongoing treatments or care.

At a broad level, the U.S. Bureau of Labor Statistics reported 1.2 million workers in the U.S. were employed but not at work in March 2023 due to their own illness, injury, or medical problems. That's equivalent to 0.7% of all the employed in the U.S.

Oregon House Bill 2005, which created the Paid Leave Oregon program, lists Alzheimer's disease, arthritis, cancer, dialysis, and stroke – among others – as serious medical conditions. The National Interview Health Survey is conducted by the U.S. Census Bureau for the Centers for Disease Control and Prevention (CDC). It provides details on the share of working adults who had experienced serious medical conditions in their lives. While the survey does not include information on workers or family members undergoing major surgeries, it can help shed some light on the prevalence of some serious health conditions within the current workforce.

Among the serious conditions covered in the survey that may be eligible for benefits under Paid Leave Oregon, the most prevalent among adult workers in 2021 included arthritis, rheumatoid arthritis, fibromyalgia, and related conditions. In the west region of the U.S., 13.3% of adults who worked in the past week had one of these conditions at some point in life. Cancer was the second most-common medical issue among all adults who worked in the past week, with 6.9% previously diagnosed with the disease.

Serious breathing issues such as chronic obstructive pulmonary disease (COPD), emphysema, or chronic bronchitis had impacted 2.0% of workers. At least 1% of those who worked in the past week had experienced coronary heart disease (1.6%), weak or failing kidneys (1.2%), or a stroke (1.1%).

Medical and Health Conditions of Adult Workers in West Region of U.S.

Share of those who worked in the last week and had ever been told by a doctor that
they have/had

Medical Condition	% of Workers
Arthritis, fibromyalgia, gout, lupus, or rheumatoid arthritis	13.3%
Cancer	6.9%
COPD, Emphysema, or chronic bronchitis	2.0%
Coronary heart disease	1.6%
Weak or failing kidneys	1.2%
Stroke	1.1%
Heart attack	0.9%
Cirrhosis or long-term liver condition	0.6%
Dementia such as Alzheimer's	0.1%

Source: Oregon Employment Department, 2021 National Health Interview Survey

Lost Work Days from Intimate Partner Violence and Stalking

Paid Leave Oregon also provides safe leave to survivors of domestic or intimate partner violence, harassment, and stalking. The Centers for Disease Control and Prevention conducts the nation's only ongoing National Intimate Partner and Sexual Violence Survey (NISVS). The survey measures the incidence of intimate partner violence, sexual violence, and stalking in the U.S. adult population in the prior 12 months, as well as lifetime occurrences.

A **CDC report** with the latest data from 2016 and 2017 shows that within the past 12 months, 9 million (7.3%) adult women in the U.S. and 8 million adult men (6.8%) reported at least one occurrence of sexual or physical violence, or stalking by a partner. Within the past 12 months, 1.6 million women and 848,000 men had missed at least one day of work due to intimate partner violence or stalking.

As with workers becoming parents, or workers navigating serious health issues, intimate partner violence and stalking has also affected the workforce for years. **Older CDC estimates** show adult women in the U.S. who were victims of intimate partner violence lost a total of nearly 8 million days of paid work per year as far back as the mid-1990s. The number of lost paid work averaged seven to eight days for physical partner violence, and 10 days for stalking.

State data from the 2016 and 2017 NISVS survey has not been released. Results from prior years showed that between 2010 and 2012, Oregon ranked in the top quartile – or highest one-fourth – of all states for intimate partner violence and stalking. Oregon also ranked in the highest quartile among states for male adults experiencing domestic or partner violence, and in the top one-fourth of states by share of women who had experienced stalking in their lifetime.

Existing Paid and Unpaid Leave Benefits for Workers

Some types of leave benefits already exist in Oregon and across the U.S. that could be used for some workers' family and medical leave needs. Half of Oregon's private employers offered unpaid leave (51%) in 2018, as described in results from the Employment Department's employer-provided benefits survey. About one in 10 private employers (11%) reported providing paid family leave to workers. Employers in Oregon already offering paid

parental, medical, and safe leave to employees apply and be approved for an equivalent plan to Paid Leave Oregon by verifying they provide equal or greater paid family, medical, and safe leave benefits, directly to their employees (see Oregon Businesses with Equivalent Plans on page 20).

Nationally, paid leave offerings by employers look similar for private and public sector workers in recent years. One key difference exists in the public sector: the federal government implemented **paid parental leave** for federal employees in October 2020. Federal government workers are exempt from Paid Leave Oregon eligibility.

Paid Sick Leave

U.S. Bureau of Labor Statistics data show 79% of civilian (or non-military) workers in the U.S. had access to paid sick leave in 2022. At the same time, nearly half (48%) could access paid personal leave, and 25% had access to paid family leave in 2022.

As of 2016, all Oregon workers at companies with at least 10 payroll employees get at least one hour of protected, **paid sick time** for every 30 hours they work, up to a total of 40 hours of paid sick time per year. This leave includes illness that does not rise to the level of "serious health condition" required for Paid Leave Oregon benefits. As of 2018, Oregon's benefits survey showed that half (50%) of all employers statewide offered paid sick leave. In some cases, a consolidated bank of paid time off (PTO) could apply towards paid sick leave requirements. In 2018, about one-third (35%) of Oregon employers offered PTO benefits to employees.

	Oregon Private	U.S. Pri Worke		U.S. Civi Worke	-
Access Offered by Benefit Type	2018	2018	2022	2018	2022
Paid family leave	11%	16%	24%	17%	25%
Paid personal leave	n/a	43%	46%	45%	48%
Paid sick leave	50%	71%	77%	74%	79%
Unpaid family leave (any unpaid in OR)	51%	88%	89%	89%	90%
Paid time off/consolidated time bank	35%	n/a		n/a	

Employer-Provided Benefits to Workers in Oregon and the U.S., 2018 and 2022

Sources: Oregon Employment Department, 2018 Oregon Employer-Provided Benefits Survey, U.S. Bureau of Labor Statistics National Compensation Survey

U.S. and Oregon Family Medical Leave

The **Family and Medical Leave Act** (FMLA) provides job-protected time off for family and medical leave reasons across the U.S. These include up to 12 weeks to bond with a new child, to care for one's own or a family member's serious health condition, or to care for a military service member who is immediate family and injured. These unpaid leave options are available to workers at companies with at least 50 payroll employees.

The **Oregon Family Leave Act** (OFLA) also provides job-protected, unpaid time to Oregon workers. OFLA includes unpaid parental leave, one's own or a family member's serious health condition, sick child leave, military family leave, and bereavement leave following the death of a family member. OFLA covers workers with an average of 25 hours per week for at least 180 days at companies with at least 25 payroll employees in Oregon.

Overall, the U.S. Bureau of Labor Statistics reported 90% of civilian workers in the U.S. had access to unpaid family leave in 2022, either through FMLA or other employer-offered options. Workers may opt – but are not required – to use other forms of accrued leave such as vacation or sick time to get paid during unpaid FMLA or OFLA leave time.

Any Paid Leave Oregon leave taken by workers that is also covered by either FMLA or OFLA is taken concurrently. That means a worker with an event that qualifies under more than one of these types of leave would not get to sequence their weeks of Paid Leave Oregon time off with FMLA or OFLA. The clock runs down on all qualifying leave programs at the same time.

Access and Leave Usage Before Paid Leave Oregon

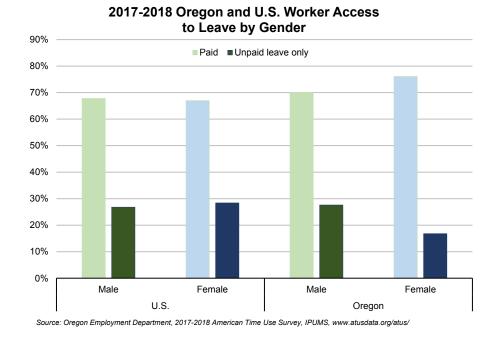
Oregon's employer-provided benefits survey has consistently shown that fewer employers offer benefits to part-time employees than full-time workers. In 2018, industries that tended to have larger shares of young workers, or lower-wage jobs, or workers with less educational attainment also tend to have lower shares of employers offering a variety of leave benefits.

The American Time Use Survey provides information on U.S. workers' leave options and use. Some limited information is also available for Oregon. The 2017-2018 survey provides data on the shares of U.S. workers with **access to paid or unpaid leave** by demographic characteristics. Paid leave as defined here includes paid parental, family care, sick, and medical leave.

Uneven Access to Leave

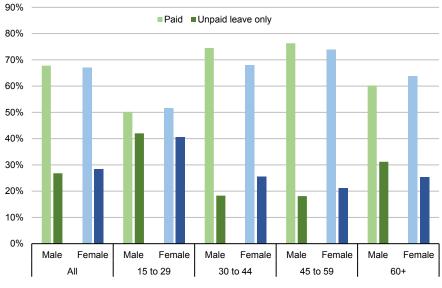
In 2017 and 2018, roughly the same share of working men (67.8%) as working women (67.0%) in the U.S. had access to some type of paid leave.

Another 26.8% of men and 28.4% of women only had access to forms of unpaid leave. The remaining 5.4% of working men and 4.5% of working women in the U.S. were unsure of or had no access to leave from their employers.



Similar shares of working men in Oregon had access to paid leave time (70.1%) or unpaid leave time alone (27.6%). Working women in the state showed a slightly higher rate of access to some type of paid leave (76.1%). A slightly smaller share (16.8%) only had access to unpaid leave.

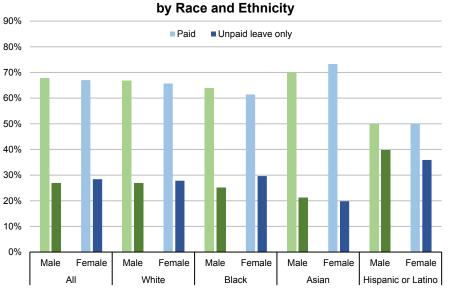
Leave access in the U.S. varied across workers' ages, race and ethnicity, and educational attainment. For example, at least nine out of 10 workers had access to either paid or unpaid leave across all broad age categories. Yet, half of younger workers ages 15 to 29 had access to paid leave. At the same time, about three-fourths of all workers ages 45 to 59 and male workers ages 30 to 44 could access paid leave.



2017-2018 U.S. Worker Access to Leave by Age Category

Source: Oregon Employment Department, U.S. Department of Labor Women's Bureau, 2017-2018 ATUS Public Microdata

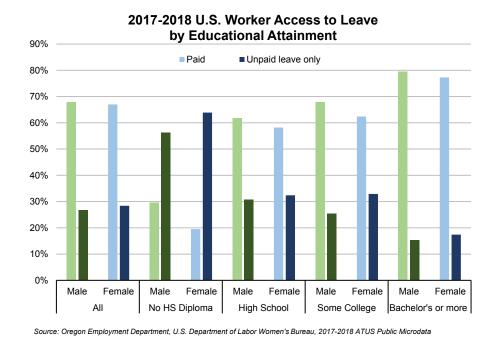
Differences also showed by race and ethnicity. Seven out of 10 U.S. workers of Asian descent could access paid leave. Meanwhile, half of male and female workers of Hispanic or Latino origin had access to paid leave. Larger shares of Hispanic or Latino men (39.8%) and women (35.9%) had access to only unpaid leave. Hispanic women appear to be the least likely to have leave from their employer, with 14.2% having no access to paid or unpaid leave.



2017-2018 U.S. Worker Access to Leave

Source: Oregon Employment Department, U.S. Department of Labor Women's Bureau, 2017-2018 ATUS Public Microdata

Differences in leave access differed starkly by educational attainment. The least access to leave was among workers with no high school diploma. Less than one-third of working men (29.7%) and women (19.5%) without a high school diploma in the U.S. could access paid leave in 2017 and 2018. By contrast, more than three-fourths of working men (79.5%) and women (77.3%) with at least a bachelor's degree could access paid leave from their employers.



Leave Usage and Unmet Need

The American Time Use Survey also gives details on paid and unpaid leave usage among workers. About one out of every five workers in the U.S. (21.1%) and Oregon (17.4%) with access to existing, employer-provided paid leave indicated they used at least some paid time off during the past week in 2017 and 2018. Nationally, a similar share (17.9%) of workers with access to only unpaid leave took some in the prior week.

		Leave Access	
Area	Usage	Paid	Unpaid Only
U.S.	Took paid leave	21.1%	-
0.3.	Took unpaid leave	3.1%	17.9%
Orogon	Took paid leave	17.4%	n/a
Oregon	Took unpaid leave	4.0%	II/a

Workers' Leave Usage in the Past Week by Type of Leave Access

Source: Oregon Employment Department, 2017-2018 American Time Use Survey, sda.atus.ipums.org

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Even with the existing patchwork of available leave options to workers, there is still unmet need for leave time. On the average week in 2017 and 2018, nearly one out of 10 workers (9.2%) needed to take leave from work, but did not. This was split between the 4.5% of U.S. workers with access to paid leave from their employer who needed to take time off but did not, and the 4.7% of workers who needed, but did not take, time away from work in the past week who had access to unpaid leave only.

Among the two-thirds of all U.S. workers with paid leave, access was more widespread for workers' own medical care or illness than for family medical care. Both these types of paid medical leave were more common than paid leave for the birth or adoption of a child. The share of workers with paid leave that needed but did not use it also varied by type. While 43.0% of workers with access to paid leave for family medical care or illness needed but did not use it, a smaller share (16.7%) who needed time off for their own medical care or illness did not use it. A similar share of workers (15.4%) with paid leave for the birth or adoption of a child did not take the leave despite needing it.

U.S. Workers with Access to Paid Leave, Needed Leave, Did Not Take Leave

Paid Leave Type	% with Paid Access	% Those with Paid Access, Needed, Not Used
Family medical care or illness	92.7%	43.0%
Own medical care or illness	76.2%	16.7%
Birth or adoption of child	46.4%	15.4%

Source: Oregon Employment Department, 2017-2018 American Time Use Survey, sda.atus.ipums.org

Workers who had access to some form of paid leave, and said they needed to use it, but didn't take it, offered several reasons for staying on the job. The most common reasons cited were having too much work to do, wanting to save leave time, the inability to afford the lost income (not all forms of paid leave are at full wage replacement), or the fear of negative job-related consequences for taking leave.

U.S. Workers with Access to Paid Leave, Needed but Did Not Use, by Top Reasons

Too much work to do	30.1%
Wanted to save leave time	13.7%
Could not afford loss of income	13.5%
Feared job loss or other negative consequence	13.1%
Leave request was denied	4.8%

Source: Oregon Employment Department, 2017-2018 American Time Use Survey, sda.atus.ipums.org

"On the average week in 2017 and 2018, nearly one out of 10 workers (9.2%) needed to take leave time, but did not."



Among those who had only had access to unpaid leave on the job, 4.7% said they needed to take leave in the past month but did not. The two most common reasons cited for not taking leave were an inability to afford the loss of income, and having too much work to take leave.

Smaller shares of federal government workers used paid parental leave benefits than overall worker leave usage, paid or unpaid. Between October 2020 and July 2022, 3.6% of federal employees took paid parental leave. Another 3.3% said they had a qualifying event, but did not take leave. Reasons included a lack of awareness about available paid parental leave, ineligibility, or already having exhausted leave time.

Four out of five (81.3%) federal employees who took paid parental leave used the full 12 weeks available to them in the 12-month period after a qualifying event. Another 9.3% used between eight and 12 weeks of leave. The remaining 10.3% took less than eight weeks of paid parental leave.

Took Leave	3.6%
Did Not Take Leave	96.4%
No Qualifying Event	93.1%
Had Qualifying Event, Unaware of Leave Option	1.5%
Had Qualifying Event, Not Eligible for Leave	0.7%
Had Qualifying Event, Did Not Use Leave	0.6%
Had Qualifying Event, Already Exhausted Leave	0.5%

Paid Parental Leave Usage by Federal Government Workers, October 2020 to July 2022

Source: Oregon Employment Department, 2022 National Employee Viewpoint Survey

When asked why they used less than 12 weeks, employees could cite multiple reasons. The majority (57.0%) of federal government employees who took parental leave and used less than 12 weeks of leave said they did not feel they could be away from work duties for that long. Three out of 10 (or 29.0%) expressed concerns about career advancement if they used all 12 weeks of leave. More than one-fourth (28.7%) said they did not need the full amount of leave time, and 13.2% felt co-workers did not support their use of all 12 weeks of leave.

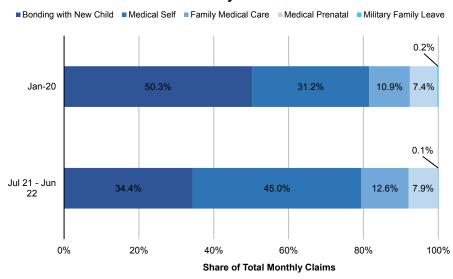
Washington: A Case Study

The Washington Employment Security Department administers the state's Paid Family and Medical Leave (PFML) program, which launched in January 2020. The Oregon and Washington programs have similar provisions. They include the ability to take paid leave to bond with a child born, adopted, or brought into foster care within the past 12 months, and paid leave for a worker's own or family member's serious medical condition.

Initial Wave of Claims

In its first month, the Washington Paid Family and Medical Leave program received 24,600 claim applications (see Appendix B). That was the largest claim volume of any month in the program's first three years of operation. This large claim total in the first month was influenced by immediate eligibility for bonding with children born, adopted, or fostered in the prior 12 months. These reasons accounted for half (12,400 or 50.3%) of all paid family and medical leave claims in the first month of Washington's program.

In a more established time of the program, from July 2021 through June 2022, Washington averaged a total of 17,680 paid family and medical leave applications per month. That was 28.2% lower than the total claims in January 2020. The number of monthly applications for bonding with a new child during this period averaged 6,085, which was a decline of 6,306 (or 50.8%) below the January 2020 level.



Washington Paid Family and Medical Leave Claims by Reason

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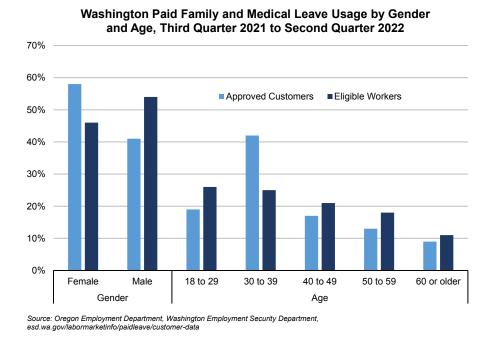
Source: Oregon Employment Department, Washington Employment Security Department

The number of claims for all other types of paid family and medical leave in Washington stayed relatively stable. Paid medical leave claims for a worker's own serious medical condition totaled 7,700 in January 2020, and averaged 8,000 between July 2021 and June 2022. Since the number of claims to bond with a new child declined in the more established program period, workers' medical claims for themselves rose to the most common reason for claims, at 45% of the total.

Paid leave to care for a family member's serious health condition made up 10.9% of all claims in January 2020, and 12.6% in a more established program. Prenatal care remained between 7% and 8% of all claims in both time periods, and leave to care for a wounded military member in the family consistently accounted for less than 1% of all claims.

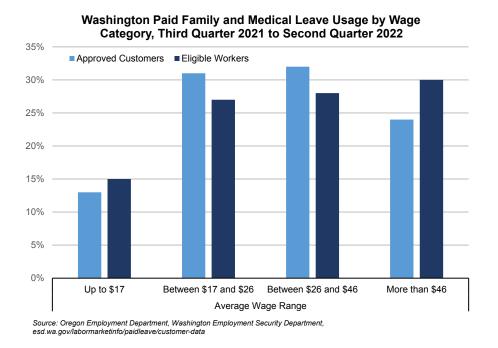
Washington PFML Usage by Industry and Demographics

Between July 2021 and June 2022, workers in Washington's health care and social assistance sector had an outsized share of paid family and medical leave claims. While the sector made up 12% of the state's eligible workers, health care and social assistance workers accounted for 18% of all approved customers. All other sectors' shares of eligible workers and share of approved customers were closely aligned.



Paid family and medical leave usage showed more variation in Washington by gender, earnings, age category, and race and ethnicity. Working women were more likely to take paid family and medical leave. While women made up 46% of all eligible workers in the

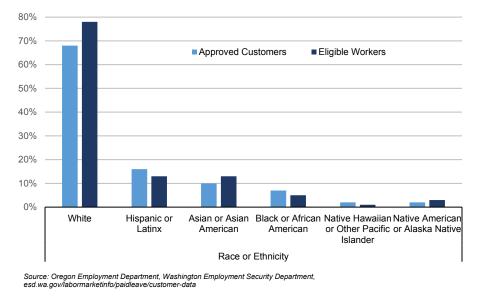
state, they totaled 58% of all approved customers (see Appendix B for definitions). Workers ages 30 to 39 were also more likely to use paid family and medical leave in Washington. Workers in their thirties made up 25% of the eligible workforce, and 42% of all approved customers.



By race and ethnicity, Washington workers who identified as white accounted for 68% of approved paid family and medical leave customers, while they made up 78% of the eligible workforce. Asian (10%) and Native American or Alaska native (2%) also made up smaller shares of approved paid family and medical leave customers than their shares of the eligible workforce (13% and 3%, respectively). Meanwhile, workers of Hispanic or Latinix ethnicity (16%), and Black or African American workers (7%) in Washington made up slightly higher shares of approved customers than their shares of eligible workers (10% and 5%, respectively).

Washington's lowest and highest-earning workers were also less likely to use paid family and medical leave. The most notable difference was at the high end of the pay scale. About one-fourth (24%) of workers approved for paid family and medical leave between July 2021 and June 2022 earned at least \$46 per hour. This group made up 30% of eligible workers. At the same time, workers earning \$17 or less accounted for 13% of approved customers, but 15% of all eligible workers.

Washington Paid Family and Medical Leave Usage by Race or Ethnicity, Third Quarter 2021 to Second Quarter 2022



Workers in the middle wage ranges were more likely to use paid family and medical leave in Washington. The approved customer rates for workers earning between \$17 and \$26 per hour, and those earnings between \$26 and \$46 per hour were each 4 percentage points higher than their shares of eligible workers.

	Average	Maximum
Most Common Leave Type Combinations	Taken	Possible*
Medical Pregnancy Complications and Family Bonding	16.6	18
Medical & Family Bonding	14.8	16
Family Bonding Only	9.3	12
Medical Only	8	12
Family Care Only	7	12

Source: Oregon Employment Department, Washington Employment Security Department, *see Appendix B for details

Duration of Leave in Washington

Similar to the federal government workers on paid parental leave, not all Washington workers taking paid family and medical leave used the full amount of eligible time. On average, Washington workers who were approved customers for paid family and medical leave in 2022 took 9.6 weeks away from work.

"In Washington, paid medical leave time averaged 7.0 weeks for workers caring for family members with serious health conditions."



Leave usage is reported for combinations of leave types (see Appendix B). In each reported category, the average time Washington workers took paid family and medical leave in 2022 was less than the maximum amount possible.

For example, workers who took only family bonding time with a new child averaged 9.3 weeks of leave. The maximum available is up to 12 weeks in a year. Meanwhile, workers with a combination of medical pregnancy complications related to the birth of a child could take up to 18 weeks for recovery and bonding time. Workers in these situations averaged 16.6 weeks of paid leave in Washington. Paid medical leave time averaged 8.0 weeks for workers with serious health conditions, and 7.0 weeks for workers caring for family members with serious health conditions. The maximum leave available for these medical leave categories was 12 weeks.

What Could Paid Leave Oregon Usage Look Like?

Since the Paid Leave Oregon program is launching in 2023 – with contributions beginning January 1, 2023, and benefits first available as of September 3, 2023 – we do not yet have data on claims and approved claims for Paid Leave Oregon benefits. As the program is implemented, information is becoming available about the businesses opting to offer their own equivalent paid leave plans. Using Washington's early experience with the Paid Family and Medical Leave program, and what we know about the differences in the two states' programs, we can also begin to anticipate how many claims Paid Leave Oregon may receive for benefits.

Oregon Businesses with Equivalent Plans

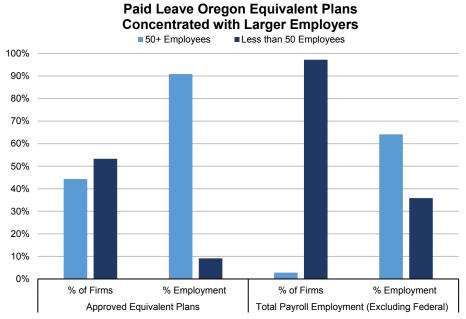
Oregon employers may apply and be approved to offer their own paid leave plans, instead of using the Paid Leave Oregon program, in order to comply with the law. These employer-provided alternative plans are referred to as equivalent plans. **An equivalent plan** provides paid leave, family, and safe leave benefits to employees that are equal to or greater than those provided by the state through the Paid Leave Oregon program.

While Washington serves as a case study for potential paid family and medical leave usage Massachusetts looks closer to Oregon, so far, in equivalent plan exemptions from its Paid Family and Medical Leave program for employers. These exemptions in Massachusetts cover around 5,000 out of 225,000 (or 2.2%) of all employers in the state. These Massachusetts employers tend to be larger in terms of payroll employment. Taken together, they account for roughly one-third of all payroll employees. (W. Alpine, personal communication, February 14, 2022.)

Although Paid Leave Oregon has not yet paid benefits, employers already have the opportunity to apply to provide equivalent plans to their employees. As of May 2023, more than 2,600 employers had equivalent plans approved to provide paid family, medical and safe leave benefits directly to employees. These approved equivalent plans cover 327,500 employees. That makes equivalent plans slightly less prevalent in Oregon than Massachusetts, with 1.4% of all Oregon firms approved to use equivalent plans. Still, the employment at Oregon firms with approved equivalent plans totaled 17.3% of all jobs in the state.

Equivalent Plans Concentrated in Education

A slight majority (1,153 or 53%) of approved equivalent plans in Oregon are at firms with less than 50 employees. Yet, these firms make up a small share (9%) of the employment covered by equivalent plans. Nine out of 10 jobs (91%) covered by equivalent plans in Oregon, as of May 2023, are at larger businesses with at least 50 employees.



Sources: Oregon Employment Department, Paid Leave Oregon, Quarterly Census of Employment and Wages

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That differs from overall firm and employment distribution in the state. Overall, employers with 50+ employees make up just 3% of all firms in Oregon, and 64% of all jobs in the state.

The businesses with approved equivalent plans, in terms of both firms and employees covered, are concentrated in the education services industry. This industry represents 29% of employees covered by equivalent plans, with a total of 94,800 employees. By comparison, education services represents about 8% of total employment in Oregon's workforce.

Education services also represents substantially more employees covered by an equivalent plan than other sectors of Oregon's economy. The next industry, manufacturing, represented 16% of equivalent plan employees. Health care and social assistance made up 10%. The manufacturing and share is also higher compared to the sector's share of overall employment (10%). Health care and social assistance coverage in equivalent plans was lower than its share of the overall workforce (15%).

	Firms with Approved Equivalent Plans as of May 2023		Total Payroll Employment (Excluding Federal)	
	Average Employment	% Total Employment	Average Employment	% Total Employment
Total	327,511		1,893,718	
Educational Services	94,766	29%	149,493	8%
Manufacturing	53,431	16%	188,347	10%
Health Care and Social Assistance	34,299	10%	280,033	15%
Construction	17,623	5%	115,878	6%
Public Administration	16,243	5%	95,100	5%
Retail Trade	15,206	5%	217,258	11%
Professional, Scientific, and Technical Services	14,411	4%	102,890	5%
Wholesale Trade	13,713	4%	78,671	4%
Finance and Insurance	11,825	4%	59,864	3%
Transportation and Warehousing	11,546	4%	67,274	4%

Oregon Employment in Selected Industries, Third Quarter 2021 - Second Quarter 2022

Source: Oregon Employment Department, Paid Leave Oregon, Quarterly Census of Employment and Wages

Because the education services industry represents an outsized share of equivalent plans, the local government sector that contains K-12 and higher public education entities also contains an outsized share of equivalent plan employees compared with its share of the workforce. Local government employees make up 11% of Oregon's workforce and 33% of employees covered by equivalent plans. Employees of privately owned businesses make up 87% of Oregon's workforce and 67% of employees covered by equivalent plans. The small, remaining share of employees covered by equivalent plans work in state government.

Equivalent plans for Paid Leave Oregon cover workers in every county in Oregon. Jobs covered by these plans are more highly concentrated in the state's metropolitan counties. Three out of five (61%) employees covered by approved Paid Leave Oregon equivalent plans work for business establishments located in Multnomah (21%), Washington (20%), Marion (10%), or Lane (10%) counties. All of the top 10 counties by employment under equivalent plans are in metropolitan areas.

What Could Usage Look Like in Oregon?

Using the Washington experience as a guideline, and not counting workers getting benefits directly from employers through equivalent plans, provides some idea of what usage could look like in the state-administered Paid Leave Oregon program. For example, the 24,600 paid family and medical leave claims during Washington's first month of operation amounted to 0.74% of the state's employment, excluding federal government workers, and 0.93% of all program-eligible workers in the state.

If the first month of Paid Leave Oregon claims look similar to Washington's experience, Oregon could possibly expect between 14,000 and 21,000 claims for benefits in September 2023. All eligible Oregon workers with a newly born, adopted, or fostered child in the past year can apply for Paid Leave Oregon benefits in September. If there is nearly universal uptake from eligible new parents in the past year during the first month of operation, the estimated total of Paid Leave Oregon claims could reach 37,000 in September 2023.

Once the Paid Leave Oregon program becomes more established, usage rates could stabilize, and likely at a lower monthly volume. That's because the pent-up eligibility between the time contributions began and benefits are paid is a one-time occurrence. In Washington, average monthly claims volume slowed to 0.61% of the eligible workforce between July 2021 and June 2022. In a more established Paid Leave Oregon program, the state could possibly expect between 10,000 and 14,000 monthly claims, if Oregon's experience follows the Washington example. "In Oregon, workers earning less than 65% of the state's average weekly wage receive full wage replacement under Paid Leave Oregon."



Washington and Oregon Eligibility and Benefit Differences

Washington has a higher work threshold than Oregon for paid family and medical leave eligibility. In Washington, workers must have worked 820 hours in the past year to qualify for benefits. At Washington's minimum wage of \$15.74 per hour, that would translate to a minimum of \$13,379 in earnings. By comparison, the threshold for Paid Leave Oregon eligibility is \$1,000 in earnings over the past year. At Oregon's standard minimum wage of \$14.20 per hour in September 2023, a worker becomes eligible after working about 70 hours. These eligibility differences are factored into estimates of Paid Leave Oregon usage, but could still have unknown effects across different sectors of the economy or worker demographics. Paid Leave Oregon also provides larger benefits relative to workers' earnings. Workers earning less than half of Washington's average weekly wage receive 90% wage reimbursement for paid family and medical leave. In Oregon, workers earning less than 65% of the state's average weekly wage receive full wage replacement under Paid Leave Oregon. Higher benefits relative to earnings may also affect usage rates.

The differences between military family medical leave in Washington and paid safe leave in Oregon also prohibit strictly comparable numbers. None of the states or D.C. that include safe leave as a part of their paid family and medical leave programs have yet started to pay safe leave benefits.

New Visibility for Existing Workforce Situations

For decades, many workers in Oregon and across the U.S. have experienced the addition of a child or children to their families, experienced serious medical conditions of their own or within their immediate family, or experienced incidents of intimate partner violence or stalking. Some workers with access to the existing patchwork of paid and unpaid leave options through their employers have taken leave to navigate these milestones or hurdles in life.

Employer-provided leave options aren't equally accessible to all workers. Even for those with options, unmet need for leave from work still exists for those who are bringing a new child into their family, or needing to take time to address their own or a family member's serious health conditions. We anticipate that those who receive Paid Leave Oregon benefits will be slightly more likely to be women, workers in their thirties, or workers of Hispanic or Latino ethnicity.

While Paid Leave Oregon is a new program, Oregon workers are participating in through payroll contributions that began in January 2023, the situations that interrupt the working lives of Oregonians have always existed. With the first benefits to be paid in September 2023, Paid Leave Oregon broadens the net of available, job-protected, paid leave options to the workforce.

More information and resources covering eligibility and benefits are available at https://paidleave.oregon.gov.

Appendix A: References

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Appendix B: Definitions for Washington Paid Family and Medical Leave Data

- Approved customers includes unique customers whose claims were approved between 7/1/2021-6/30/2022, and who received at least one payment.
- Eligible Washington workers includes adults ages 18 and over who were employed by a private company, non-profit, local or state government and who met an approximation of the Washington Paid Leave eligibility requirement of working at least 16 hours per week in the last twelve months. Those who are not in the labor force, who have not worked for more than five years, who never worked, who are self-employed, or who work for the federal government were not included.
- All Washington workers includes adults ages 18 and over who were self-employed, employed by a private company, non-profit, local or state government. Those who are not in the labor force, who have not worked for more than five years, who never worked, or who work for the federal government were not included.
- The wage groupings for the wage comparison were determined by the quantile distribution of wages of all Washington workers.

Data sources

- The data used in the Race, Age, and Gender Identity comparisons is from the 2019 One-Year Estimates Public Use Microdata Sample from the American Community Survey and information collected from the customers at the time of application. Note: we are using 2019 estimates because they did not release 2020 estimates for reasons defined here. One limitation to using this data source as a comparison is that it likely overestimates the eligible worker population because we don't know or have data on what portion of the population has or will experience a qualifying event. However, it is the best data source we have identified to date, offering the most complete view of Washington workers and their characteristics.
- The data used in the Wage, Employer Size, and Employer Industry comparisons is from the Washington Paid Leave wage reports submitted by employers from 7/1/2020-6/30/2021. The same limitation as above exists for this data as well – we do not know what portion of those who are working and paying into the Paid Leave Insurance Account have or will experience a qualifying event, so it is likely that it overestimates the eligible worker population.

Average weeks of leave taken by type (claim level)

 Average weeks of leave for each leave type at the claim level are not calendar weeks. They are determined by the customers' typical workweek hours. Since customers may use more than one type of leave within their claim year – such as medical leave to recover from childbirth followed by family bonding leave – this does not represent the average total leave customers may have taken in a year.

Average weeks of leave by the most common leave type combinations (customer level)

Combinations of leave types are the average total weeks of leave taken by each customer in their claim year. A customer's claim year is the one-year period beginning the week in which a customer submits a benefit application and ends 52 weeks later. A customer may generally take up to 12 weeks of family or medical leave in their claim year, or if they have more than one qualifying event in the same claim year, up to 16 to 18 weeks of combined family and medical leave.

Within a Paid Family and Medical Leave claim year in Washington, eligible workers can take:

Up to 12 weeks of medical leave or family leave. Medical leave is for recovering from or getting treatment for a serious health condition. Family leave is for taking care of a qualifying family member who has a serious health condition, for bonding with a new child or for certain military events.

Up to 16 weeks of combined medical and family leave if you have more than one qualifying event in the same claim year. This could include medical leave for pregnancy or to recover from giving birth, then family leave to bond with your baby. Or you could qualify for family leave to care for a family member, then medical leave for yourself within the same year.

Up to 18 weeks of combined medical and family leave if you experience a condition in pregnancy that results in incapacity, like being put on bed rest or having a C-section. There is a checkbox on the **certification form** where your healthcare provider should certify that your serious health condition is related to pregnancy.



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