

Paid Family and Medical Leave Insurance Program Advisory Committee Charter

Version: Draft 2.6
Revision Date: December 10, 2019

Overview and Document Purpose

On August 9, 2019, Governor Brown signed House Bill (HB) 2005 into law creating a paid family and medical leave insurance (PFMLI) program in Oregon. The program provides employees with compensated time off from work to care for and bond with a child during the first year of the child's birth or arrival through adoption or foster care, to provide care for a family member who has a serious health condition, to recover from employees' own serious health condition, and to take leave related to domestic violence, stalking, sexual assault or harassment, known as safe leave.

The Employment Department will serve as the administering agency for the PFMLI program or contract with a third party to administer the program. The Department is responsible for establishing processes and rules for administrative components of the program. House Bill 2005 charges the Employment Department to convene an advisory committee to provide input on the creation and administration of the program.

This Advisory Committee Charter describes the purpose and responsibilities of the committee, as well as membership, meeting frequency, and practices for making recommendations.

Committee Purpose

The creation of a paid family and medical leave insurance program impacts employers and employees across a diverse set of communities, industries, and workplaces throughout the state. The purpose of the advisory committee is to engage representatives of these stakeholders to incorporate diverse perspectives during the implementation and administration of the program. The advisory committee will provide substantive input on issues related to the implementation, administration, and rulemaking related to program policy issues or legislative needs.

Key responsibilities:

- Work collaboratively with all Advisory Committee members, and other stakeholders, on complex, difficult issues to achieve the best approaches for Oregon workers and businesses, even when that requires balancing competing interests – a shared commitment to making the PFMLI program successful is imperative.
- Advise and make recommendations to the Director regarding issues related to the program, including but not limited to implementation, administration, and rulemaking.
- Strive for reaching consensus in making recommendations.
- Participate actively in understanding and contributing to the vision, goals, and objectives of the program.
- Encourage, receive, and consider feedback and input from program leadership and stakeholder communities.
- Offer input by clearly communicating thoughts, concerns, and opportunities in the best interests of represented parties.
- Contribute to the identification of program risks, barriers, and mitigation strategies.
- Provide leadership and support for the program across the stakeholder community.

- Participate in or lead workgroups established by the committee to facilitate broader input for rulemaking, outreach and engagement, or other requirements as identified by the committee.
- By statute, the scope of the committee’s work relates to the family and medical leave insurance program established per HB 2005, Section 33, Administration.

This charter may be reviewed at least annually to ensure the committee’s composition, operating practices, and recommendation process continue to function as intended per HB 2005, Section 36, Advisory Committee.

Membership

The advisory committee shall consist of nine members appointed by the Employment Department Director. One member will be a representative of the Employment Department and will serve as the chair person for the committee. Four members will be representatives of employees, and four members will represent employers, at least one of which will represent employers with fewer than 25 employees. Initial membership of the committee is as follows:

Name	Member Role	Term Start Date
Amanda Dalton	Employer Representative	November 12, 2019
Jenny Dresler	Small Employer Representative	November 12, 2019
David Gerstenfeld	Committee Chair	November 12, 2019
Jessica Giannettino Villatoro	Employee Representative	November 12, 2019
Linda Herrera	Employee Representative	November 12, 2019
Eric Hunter	Employer Representative	November 12, 2019
Andrea Paluso	Employee Representative	November 12, 2019
Eva RippetEAU	Employee Representative	November 12, 2019
Paloma Sparks	Employer Representative	November 12, 2019

Members shall serve for a term of two years and may be reappointed for additional terms. If there is a vacancy for any cause, the Director shall appoint a replacement to become immediately effective for the unexpired term.

Members of the committee are not entitled to compensation, but may be reimbursed for actual and necessary travel or other expenses incurred in the performance of official duties.

The Director may invite stakeholders from other state agencies, oversight entities, technical experts, or other practitioners from relevant fields to participate in or provide and present information to the advisory committee.

Meetings

FREQUENCY

The committee generally meets once per month as established by the chair. The chair may also call *ad hoc* meetings as necessary to fulfill the purpose of the committee.

ORGANIZATION

The chair is responsible to organize agenda topics and facilitate meetings. The chair may delegate supporting tasks, such as distribution of the agenda and preparation of meeting notes to PFMLI staff. Meeting agendas and supporting materials will be distributed at least three business days prior to the meeting to allow sufficient time for review. Meeting notes will be prepared and distributed within one week of the meeting, and will include additional materials or presentations reviewed during the meeting, as appropriate.

The committee will establish workgroups focused on specific issues identified by members that would benefit from input of a broader perspective. Workgroups will be lead, attended, and supported by members of the committee and populated by people they identify to participate.

GUESTS

Guests may be asked to attend committee meetings to present or receive information, or answer questions. Guest attendees will be noted on the committee agenda and they will receive agendas and relevant materials prior to the meeting.

ATTENDANCE AND ALTERNATES

Committee members are expected to attend each meeting. Alternates are not preferred, but if someone will be absent and feels it appropriate to have an alternate represent them in their absence, they should seek advance approval of the committee chair. Alternates will be expected to participate, provide input, and make recommendations on behalf of the committee member. If a committee member does not regularly attend meetings, the committee chair may consult with the Director about appointing a replacement committee member to take the place of the member who is not regularly attending.

QUORUM

A quorum for the committee is over half of the members, which is five (5) or more, with at least two (2) members each representing employees and employers. When less than a quorum is present at a meeting, items listed on the agenda may still be reviewed and discussed. However, any committee action will be postponed until a quorum is present.

PROVIDING ADVICE AND MAKING RECOMMENDATIONS

The committee will strive for consensus in its process of providing advice and making recommendations to the Director. If consensus cannot be reached regarding a particular issue, the committee's recommendation will be determined by a majority of the committee's members in attendance at the meeting. Such a recommendation may be accompanied by a minority recommendation for the Director's understanding of all sides of the issue, if the minority interest so chooses.

If a recommendation results in a tie, the recommendation from each side will be presented to the Director.

Document Maintenance

This document is maintained by the PFMLI program team and will be updated only if major revisions are necessary.

Version	Date	Author	Change Description
D1.0	10/22/19	Eric Smith	Initial version of the document.
D2.0	11/5/19	Eric Smith	Include David Gerstenfeld's edits.
D2.5	12/5/19	David Gerstenfeld	Additional minor edits
D2.6	12/10/19	David Gerstenfeld	Additional minor edits

Approving Authorities

Kay Erickson, Director
Oregon Employment Department

Date

David Gerstenfeld, Advisory Committee Chair
Paid Family and Medical Leave Insurance Division Director

Date

Advisory Committee Ground Rules

1. Treat everyone with honor and respect
2. Listen actively, respectfully, and with an open mind
3. Work collaboratively to make the program work as well as possible for as many as possible
4. Bring to the discussion the perspectives and expertise you and others in your networks have regarding the program
5. Everyone participates and takes ownership in the committee's accomplishments
6. Strive for consensus in making recommendations
7. Participate in person whenever possible
8. Keep comments concise, on-point, and on-time
9. Limit distractions and interruptions (e.g. cell phones and side conversations)
10. We are not renegotiating the authorizing statute
11. Be clear on recommendations and identify action items



Paid Family and Medical Leave Insurance (PFMLI) Advisory Committee

David K. Gerstenfeld, PFMLI Division Director

December 19, 2019



Our Vision

An Oregon where meaningful work enables the state's diverse people and businesses to realize their full potential, creating prosperity in every community

Our Mission

Support Business · Promote Employment



Our Core Programs

Unemployment Insurance

- Support economic stability for Oregonians and communities during times of unemployment through the payment of unemployment benefits

Workforce Operations (WorkSource Oregon Centers)

- Serve businesses by recruiting and referring the best qualified applicants to jobs
- Provide resources to diverse job seekers in support of their employment needs

Communications and Research

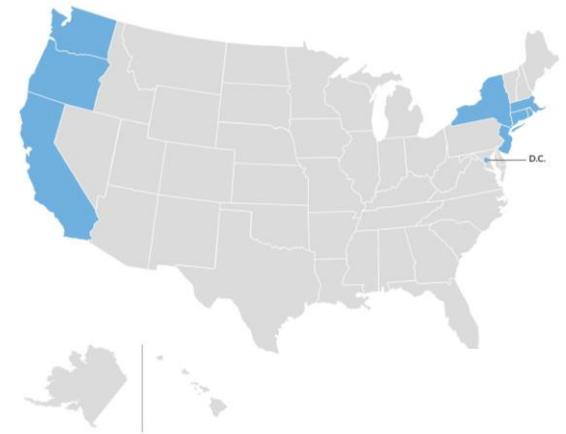
- Develop and distribute quality workforce and economic information to promote informed decision making

Paid Family and Medical Leave Insurance...Coming Soon!



Oregon joins eight others in having a paid family and medical leave insurance program

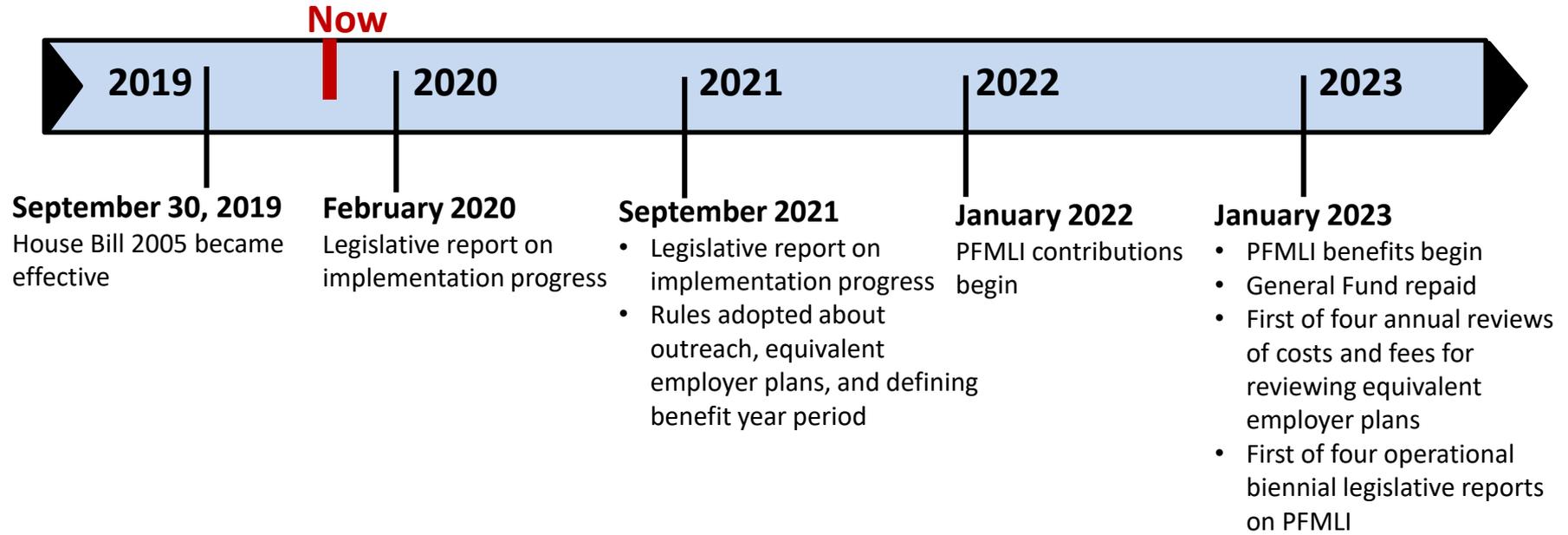
Oregon	• Benefits start January 2023
Connecticut	• Benefits start January 2022
Massachusetts	• Benefits start January 2021
Washington DC	• Benefits start July 2020
Washington	• Benefits start January 2020
New York	• Benefits started January 2018 ✓
Rhode Island	• Benefits started January 2014 ✓
New Jersey	• Benefits started July 2009 ✓
California	• Benefits started July 2004 ✓



✓ Many evolved from existing state disability insurance programs

Statutory timelines

HB 2005 (2019)



About the program - coverage

Covered Businesses

- Comprehensive coverage
- Federal government is not covered
- Tribal governments and self employed people can opt to be covered

Covered Workers

- Comprehensive coverage
- Federal workers are not covered
- Independent contractors are not required to be covered
- To receive benefits, must have earned \$1,000 in “base year”

Types of Leave

- Medical Leave Employee’s own serious health condition
- Family Leave
 - Bond with a new child during first year after birth, adoption, or foster placement
 - Care for family member with a serious health condition
 - “Family” is defined broadly
- Safe Leave for issues related to domestic violence, harassment, sexual assault, or stalking



About the program

Benefits

- 12 weeks paid leave
- 2 more weeks paid leave for pregnancy, childbirth, and related conditions
- 4 more weeks unpaid leave for OFLA covered conditions
- Benefit amount is based on prior earnings
 - Full wage replacement for people with average earnings up to 65% of the state's average weekly wage
 - Minimum and maximum benefit amounts based on statewide average weekly wage
- Job protection
- Discrimination based on pursuing leave is prohibited
- Health care benefits continue while on leave

Contributions

- Start accruing January 2022
- Rate applies to the first \$132,900/year in wages
- Rate set annually by Director; cap of 1% of wages
- Contributions are split between employees (60%) and employers (40%)
- Small employers (fewer than 25 employees) do not have to pay their portion



About the program

Equivalent Employer Plans

- Employers can provide their own plan that provides at least the same benefits
- Employers pay a fee of up to \$250 to department to evaluate if their plan meets the standard
- These employers, and their employees, do not pay contributions to the state plan
- Employers may take contributions from workers, but not more than workers would pay into the state plan
- Benefits are paid under the employer's plan
- Rulemaking needed for "cross over" situations

Small Business Grants

- Available to small employers who opt to pay their share of contributions
- Helps offset costs of hiring temporary replacement workers, and related costs, while covered workers are on leave
- Can cover costs related to up to 10 employees per year, up to \$3,000 per employee

Advisory Committee

- 9 members
- Chaired by Employment Department representative
 - 4 represent employee interests
 - 4 represent employer interests – at least one of those representing small employers
- Advise Director on PFMLI, including implementation, administration, and rulemaking

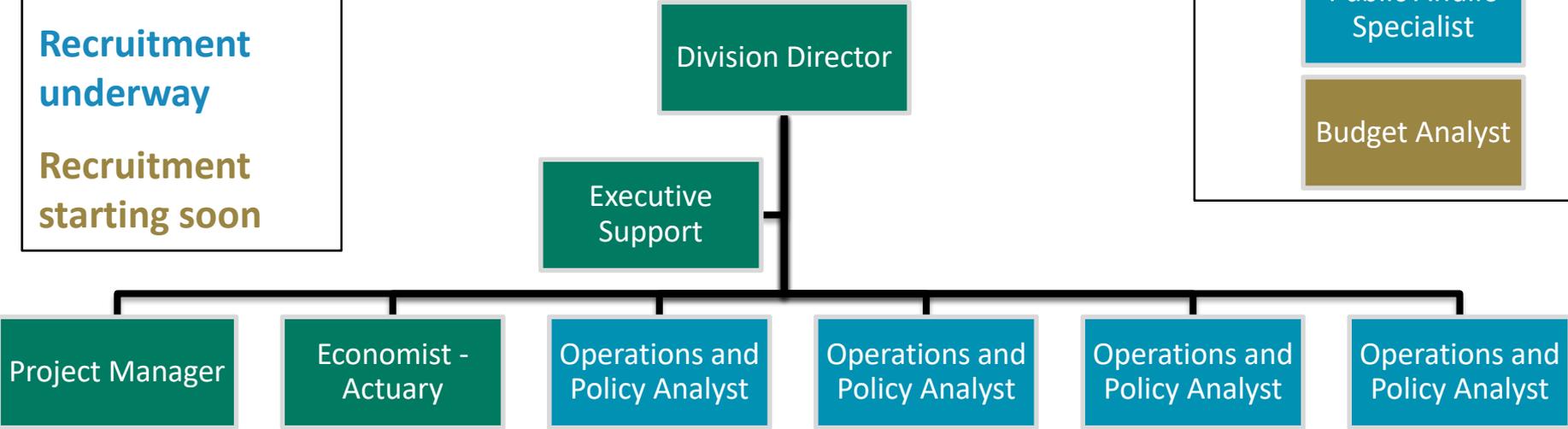


PFMLI Division

KEY
Position filled
Recruitment underway
Recruitment starting soon

Extra Administrative Capacity

- Human Resources Analyst
- Public Affairs Specialist
- Budget Analyst



What has been done

- House Bill 2005 became operative September 30, 2019
- Started recruiting for PFMLI positions – September 2019
- Started initial research with other states' PFML programs – October 2019
- Contracted for actuarial assessment of program – October 2019
- Advisory Committee members appointed – November 2019

Learning from other states

- Attended PFMLI convening in Tacoma in October 2019 – state experts, advocates, public policy groups, and policy makers
- Planning visit to Washington State for more in depth learning in early 2020
- Getting forms, outreach materials, rules, system requirements, and other information and insights from other states with PFMLI legislation

Some Key lessons

Communication is vital – early in the program and ongoing

There are a lot of variations between states' programs

Design it around the needs of the workers and businesses it serves

There are many partners to engage with – national, state, local, public, and private sector



Advisory Committee

Chair

David Gerstenfeld, Employment Department

Employer
Representatives

Amanda Dalton, Dalton Advocacy

Jenny Dresler, Public Affairs Counsel
(Small Employer Representative)

Eric Hunter, CareOregon

Paloma Sparks, Oregon Business & Industry

Employee
Representatives

Linda Herrera, PCUN

Andrea Paluso, Family Forward Oregon

Eva Rippeteau, Oregon AFSCME

Jessica Giannettino Villatoro, Oregon AFL-CIO

Advise the Director on PFMLI including implementation, administration, and rules

Sponsor workgroups for broader engagement with those impacted by particular parts of PFMLI

Focus on making the program work well for workers and businesses throughout Oregon based on robust public input



Some key decisions to come

- Sequencing and timing of rulemaking on various PFMLI topics
- Whether to have a third party administer some or all of the PFMLI program
- Whether PFMLI contributions can be part of the combined payroll reporting process as Unemployment Insurance (UI) Tax is modernized

Next steps—what to expect

- Additional hiring – in progress
- Further explore third party administration options – in progress
- Convene with partner agencies and oversight partners – December 2019
- Contract with vendor to assess risks and mitigations for pursuing PFMLI and Unemployment Insurance (UI) Modernization simultaneously – December 2019
- Advisory committee convenes and sponsors workgroups on specific topics – December 2019
- Early actuarial analysis – January 2020



Thank You

