Presiding Officer's Report to Agency on Rulemaking Hearing

Date: July 22, 2024

To: David Gerstenfeld, Acting Director

From: Dan Rembert, Rules Coordinator for Paid Leave Oregon

Subject: Presiding Officer's Report on Rulemaking Hearing - Paid Leave Oregon Batch 11

Rules

Public Hearings and Public Comment Period

Meeting Type	Hearing Date and Time	Hearing Location
Public Hearing	June 20, 2024, 10:00 a.m.	Virtual via Zoom
Public Hearing	June 24, 2024, 1:00 p.m.	Virtual via Zoom
Public Comment Period	June 1, 2024 to June 30, 2024, at	Submitted in writing via
	11:59 p.m. PST	email

Notice Filings (OAR 471-070-*)

Notice Title for Filing	Rule Numbers
Appeals, Assistance Grants,	471-070-1000, 471-070-1010, 471-070-1040, 471-070-1100,
Benefits, and Equivalent	471-070-1110, 471-070-1120, 471-070-1130, 471-070-1205,
Plans	471-070-1210, 471-070-1250, 471-070-1470, 471-070-1510,
	471-070-1550, 471-070-1560, 471-070-2210, 471-070-2220,
	471-070-3710, 471-070-3730, 471-070-8005, 471-070-8520

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Hearings Officer Report Paid Leave Oregon Batch 11: Appeals, Assistance Grants, Benefits, and Equivalent Plans

Hearings Report Summary

The division filed Notice of Proposed Rulemaking with the Secretary of State's Office on May 29, 2024, and held two rulemaking hearings for the Paid Leave Oregon Batch 11 proposed administrative rules. The hearings occurred virtually using the Zoom platform, and they were recorded to create an official record. The public comment period began on June 1, 2024, and closed on June 30, 2024, at 11:59 p.m. Pacific Standard Time (PST).

Below is a summary of each hearing including any comments or questions received on the Batch 11 proposed administrative rules. This report covers only those comments related to the 20 proposed administrative rules. General program and rule comments are not included.

Public Hearing #1 – June 20, 2024

The first public hearing for the proposed administrative rules took place on Thursday, June 20, at 10:00 a.m. PST via Zoom, and was recorded to maintain a record. 147 individuals registered to attend and 79 attended the hearing. During the hearing, 1 attendee asked a clarifying question related to proposed administrative rules. 1 attendee asked a general question related to proposed administrative rules. The questions are not included in this report.

Public Hearing #2 – June 24, 2024

The second public hearing for the proposed administrative rules took place on Monday, June 24, at 1:00 p.m. PST via Zoom, and was recorded to maintain a record. There were 16 individuals registered to attend and 15 attended the hearing. During the hearing, 1 attendee asked 3 general and clarifying questions related to 2 proposed rules. 1 attendee made 1 broadly positive comment about a rule and followed up the comment with a general question. 1 attendee provided a specific comment expressing concern (opposition) about a change to one rule. Only the comment with specific concern about a proposed rule will be included in this report.

Public Comment Period – June 1 – 30, 2024

The Notice of Proposed Rulemaking filing for the Batch 11 proposed administrative rules, which included a Statement of Need with Racial Equity and Fiscal Impact considerations, was published in the Oregon Bulletin on June 1, 2024. For the entire month of June – ending at 11:59 p.m. PST on June 30, 2024 – the public comment period was open for interested parties and the general public to submit comments on the proposed rules. The Oregon Legislators' comment period also opened on June 1 and closed at 11:59 p.m. PST on July 20, 2024. Comments and questions were primarily received via the Rules@employ.oregon.gov email box. Any comments received regarding the Paid Leave Oregon Batch 11 administrative rules in other email boxes were subsequently forwarded to the Rules email box and recorded.

During the public comment period, the Department received written comments from 3 different individuals or groups through the <u>Rules@employ.oregon.gov</u> email inbox; with 7 comments being related to 8 of the proposed rule amendments. One written comment is unrelated to amendments currently being made in Batch 11 but relates to a rule that was opened as part of batch 11.

Hearings Officer Report Paid Leave Oregon Batch 11: Appeals, Assistance Grants, Benefits, and Equivalent Plans

Summary of Comments Received on and Responses for Paid Leave Oregon Batch 11 Administrative Rules

A summary of the Paid Leave Oregon Batch 11 administrative rules written comments and verbal testimony received about specific rules, can be found in the table below, under the rule for which the comment was received. Additional information regarding the comments – and related or general questions – can be found in the attached exhibits. There were a total of 7 comments provided by 3 individuals regarding 8 of the proposed Batch 11 rules, during the public hearings and public comment period.

Rule Number	Name & Affiliation	Exhibit Number	Comment Summary	Responses	Rule Change – Yes/No
471-070-1000 Benefits: Definitions	Karen Anderson, Peck, Rubanoff & Hatfield	01	(21) – Opposes the current definition of serious health condition, stating that it is not consistent with language in statute, and burdens small employers.	The serious health condition definition is not among the proposed amendments in this rule. Paid Leave will consider whether changes are needed in the future.	No
471-070-1010 Benefits: Eligibility and Qualifications for Benefits	Lisa Kwon, Time to Care Oregon	02	(1) - Supports the language clarification specifying that only "workers' compensation for time loss" disqualifies an employee from paid leave benefit eligibility.	This change was based on the requirement to comply with the law following passage of SB1515.	No
471-070-1100 Benefits: Application for Benefits	Lisa Kwon, Time to Care Oregon	02	(1) - Supports the language clarification specifying that only "workers' compensation for time loss" disqualifies an	This change was based on the requirement to comply with the law following passage of SB1515.	No

Rule Number	Name & Affiliation	Exhibit Number	Comment Summary	Responses	Rule Change – Yes/No
			employee from paid leave benefit eligibility.		T CS/1 (U
471-070-1205 Benefits: Weekly Claims	Lisa Kwon, Time to Care Oregon	02	(2) - Supports the language clarification specifying that only "workers' compensation for time loss" disqualifies an employee from paid leave benefit eligibility.	This change was based on the requirement to comply with the law following passage of SB1515.	No
471-070-1210 Benefits: Updates to a Claim for Leave	Lisa Kwon, Time to Care Oregon	02	(2) - Supports the language clarification specifying that only "workers' compensation for time loss" disqualifies an employee from paid leave benefit eligibility.	This amendment was based on the requirement to comply with the law following passage of SB1515.	No
471-070-1250 Benefits: Designated Representative and Representation of Incapacitated Claimants	Lisa Kwon, Time to Care Oregon	02	(5) – Opposes requirement that claimant re-submit a new form to designate a representative, if no application for benefits is submitted within 30 days.	This amendment was made as clarification because authorization for a claimant designated representative ends after 30 days if no application for benefits is submitted for the claimant.	Yes

Rule Number	Name & Affiliation	Exhibit Number	Comment Summary	Responses	Rule Change – Yes/No
				This requirement is intended to ensure that a designated representative is associated with an individual's claim for benefits, since communicating about a claimant's benefits is the intended purpose for designating a representative. Paid Leave is adding clarification to (5) and (9) that authorization ends 30 days after the representative is approved by the department, not after the date of signature on the form.	
471-070-1250 Benefits: Designated Representative and Representation of Incapacitated Claimants	Lisa Kwon, Time to Care Oregon	02	(8) - Opposes handwritten signature requirement for claimants and health care providers on incapacitated claimant process. Feels it creates a	The handwritten signature requirement was added as an additional safeguard to ensure that someone would not be able to falsely electronically	No

Rule Number	Name & Affiliation	Exhibit Number	Comment Summary	Responses	Rule Change – Yes/No
			significant barrier for the claimant.	sign a document on behalf of an incapacitated claimant. The intent is not to add a hurdle, but to confirm the signer's authenticity. Paid Leave is currently in conversation with health care providers about customer experiences; to identify ways their staff can help with the Paid Leave process.	
471-070-1250 Benefits: Designated Representative and Representation of Incapacitated Claimants	Lisa Kwon, Time to Care Oregon	02	(8) - Opposes designated representative's requirement to inform Paid Leave within 3 calendar days of learning the claimant is no longer incapacitated. Feels claimant's representative will be burdened with other tasks and encourages Paid Leave to be as flexible	The intent is to protect the person who is no longer incapacitated by setting a reasonable standard that gives agency back to the claimant as soon as the claimant is no longer incapacitated.	No

Rule Number	Name & Affiliation	Exhibit Number	Comment Summary	Responses	Rule Change – Yes/No
			as possible in this area.		1 05/110
471-070-1550 Benefits: Penalties for Employer Misrepresentation	Lisa Kwon, Time to Care Oregon	02	(1) – Supports the language clarification that any penalties associated with this rule, will apply to all employees and not just 'eligible employees.'	This amendment was based on SB 913 passed during the 2023 legislative session.	No
471-070-2220 Equivalent Plans: Plan Requirements	Lisa Kwon, Time to Care Oregon	02	(15) Supports the language clarification that equivalent plan employers must provide written notice about Paid Leave benefits to all employees and not just 'eligible employees.'	This amendment was based on SB 913 passed during the 2023 legislative session. ORS 657B requires equivalent plan employer to provide written notice to employees generally, not only eligible employees.	No
	Paloma Sparks, Oregon Business & Industry (OBI)	03	(15) Opposes the language change from 'eligible employees' to all employees, feeling it may create confusion, particularly for employers with employees in multiple states.	This amendment was based on SB 913 passed during the 2023 legislative session. ORS 657B requires equivalent plan employer to provide written notice to employees generally, not	No

Hearings Officer Report Paid Leave Oregon Batch 11: Appeals, Assistance Grants, Benefits, and Equivalent Plans

Rule Number	Name & Affiliation	Exhibit Number	Comment Summary	Responses	Rule Change – Yes/No
				only eligible employees.	

X

REMBERT Daniel A * OED

From: OED_RULES * OED

Sent: Monday, July 1, 2024 9:17 AM **To:** REMBERT Daniel A * OED

Subject: FW: Comment on Proposed Rule 417-070-1000(24) **Attachments:** Comment re Proposed OAR 417-070-1000(24).pdf

From: Karen Anderson < kanderson@prhlaborlaw.com>

Sent: Friday, June 28, 2024 4:39 PM

To: OED_RULES * OED <rules@employ.oregon.gov>
Cc: HATFIELD Chandra <chatfield@prhlaborlaw.com>
Subject: Comment on Proposed Rule 417-070-1000(24)

You don't often get email from kanderson@prhlaborlaw.com. Learn why this is important

Hello,

Attached is our letter with a comment on the rule identified in the subject line of this email. Please let me know if you have any difficulties opening the attachment. We are happy to answer any additional questions.

Best regards,

Karen Anderson

Associate Attorney



12909 SW 68th Parkway, Suite 210 I Portland, OR 97223

Main: 503-303-7239 Direct: 503-776-1011

The information contained in this email may be privileged or confidential and protected from disclosure. If you are not the intended recipient, any dissemination, distribution or copying is prohibited. If you believe you have received this email in error, please contact the sender at kanderson@prhlaborlaw.com. Thank you.



June 28, 2024

Dan Rembert Employment Division 875 Union St. NE Salem, OR 97311 Sent via email to: rules@employ.oregon.gov

Re: Comment on Notice of Proposed Rulemaking, Chapter 471, Employment Department

Dear Mr. Rembert,

Thank you for the opportunity to submit comments regarding the proposed rule changes published by the Oregon Employment Department on May 29, 2024. This comment is regarding proposed rule 417-070-1000(24) Definitions – "serious health condition."

On March 20, 2024, Oregon Senate Bill 1515 went into effect. This bill included a statutory change to ORS 657B.010(24), which revised the definition of "serious health condition" applicable for Chapter 657B to include the following circumstances:

(a) "An illness, injury, impairment or physical or mental condition <u>that requires</u> <u>inpatient</u> care in a hospital, hospice or residential medical care facility;

(b) "An illness, disease or condition that in the medical judgment of the treating health care provider poses an imminent danger of death, is terminal in prognosis with a reasonable possibility of death in the near future, or requires constant care;

(c) "Any period of disability due to pregnancy, or period of absence for prenatal care; or

(d) "Any period of absence for the donation of a body part, organ or tissue, including preoperative or diagnostic services, surgery, post-operative treatment and recovery."

ORS 657B.010(24), eff. Jul. 1, 2024. (emphasis added)

Proposed Rule 471-070-1000(21) includes in its definition of "serious health condition" the same four conditions described within ORS 657B.010(24), with some additional clarifying details. These definitions are found in OAR 471-070-1000(21).

However, the proposed rule at-issue also attempts to legislate an additional definition of "serious health condition" that is not consistent with nor found within the relevant statute. More specifically, the proposed rule unilaterally adds the following conditions not included within the statute:

(d) "Involves a period of incapacity. "Incapacity" is the inability to perform at least one essential job function, or to attend school or perform regular daily activities for more than three consecutive calendar days. A period of incapacity includes any

EXHIBIT 01

subsequent required treatment or recovery period relating to the same condition. The incapacity must involve one of the following:

- (A) "Two or more treatments by a health care provider; or
- (B) "One treatment plus a regimen of continuing care.
- (e) "Results in a period of incapacity or treatment for a chronic serious health condition that requires periodic visits for treatment by a health care provider, continues over an extended period of time, and may cause episodic rather than a continuing period of incapacity, such as, but not limited to, asthma, diabetes, or epilepsy; and
- (f) "Involves permanent or long-term incapacity due to a condition for which treatment may not be effective, such as, but not limited to, Alzheimer's Disease, a severe stroke, or terminal stages of a disease. The employee or family member must be under the continuing care of a health care provider but need not be receiving active treatment."
- (g) "Involves multiple treatments for restorative surgery or for a condition such as, but not limited to, chemotherapy for cancer, physical therapy for arthritis, or dialysis for kidney disease that if not treated would likely result in incapacity of more than three calendar days."

Proposed OAR 471-070-1000(21).

As noted above, the relevant statute, ORS 657B.010(24), expressly includes only those conditions that "require inpatient care in a hospital, hospice, or residential care facility." The proposed rule, however, covers the conditions listed in OAR 471-070-1000(21)(d-g) regardless of whether (or not) the condition requires such inpatient care. In doing so, the OED's proposed rule substantially adds to the burdens of compliance imposed upon small employers and exceeds its statutory authority. For that reason, we request that the proposed rule OAR 471-070-1000(21) be limited to include sub-sections (a), (b), (c), (h), and (i), and omit sub-sections (d), (e), (f), and (g). Alternatively, we request that sub-sections (d), (e), (f), and (g) be limited to circumstances in which the claimant or their family member also require inpatient care in a hospital, hospice, or residential care facility as dictated by the statute.

Thank you for your consideration. Please do not hesitate to contact us for further information.

Sincerely,

Karen Anderson Associate Attorney

Kan alli

Peck Rubanoff Hatfield

Chandra Harfield
Chandra Hatfield
Shareholder

Peck Rubanoff Hatfield

REMBERT Daniel A * OED

From: OED_RULES * OED

Sent: Monday, July 1, 2024 9:22 AM **To:** REMBERT Daniel A * OED

Subject: FW: Time to Care Batch 11 Permanent Rules Feedback

Attachments: Permanent Batch 11 PLO Rules Feedback.pdf

From: Lisa Kwon <hanlisakwon@gmail.com> Sent: Saturday, June 29, 2024 12:17 PM

To: OED_RULES * OED <Rules@employ.oregon.gov>; HUMELBAUGH Karen M

<karen.m.humelbaugh@employ.oregon.gov>; BALL Shannon L * OED <Shannon.L.BALL@employ.oregon.gov>

Cc: Courtney Helstein, Family Forward <courtney@familyforward.org>; catie <catie@oraflcio.org>; Odalis Aguilar

<oaguilar@oregonafscme.org>; Anna Roberts <Annar@seiu49.org>

Subject: Time to Care Batch 11 Permanent Rules Feedback

PLO Team,

Attached is Time to Care Oregon's joint feedback to the Batch 11 permanent rules. Please don't hesitate to reach out if you have any questions.

Best, Lisa

Time to Care OREGON

June 29, 2024

To: Karen Humelbaugh and PFMLI Policy Team, Oregon Employment Department

From: Time to Care Oregon Coalition RE: PFML Batch 11 Permanent Rules

Thank you for the opportunity to provide feedback on the changes made to the Batch 11 permanent rules regarding Benefits for Paid Leave Oregon. Upon review, we appreciate some of the changes made in this batch after submitting initial comments but also continue to have the same suggested areas for change, which are outlined below.

We appreciate that all references to Workers Compensation have been changed to 'workers' time loss benefits' instead to clarify that those who receive additional benefits such as medical reimbursements under Workers Compensation are eligible to take paid leave.

In Designated Representative and Representation of Incapacitated Claimants rules (471-070-1250), we again, believe that the Agency should accept electronic signatures. Based on some health care provider and health system practices, not allowing for an electronic signature could create an insurmountable barrier to becoming a Designated Representative for someone in need. As we heard in the Rules Advisory Committee on May 8, 2024, it is common protocol for larger health systems such as Kaiser to only provide electronic signatures. We believe this change would alleviate a significant burden for both claimants and healthcare providers alike.

Furthermore, we believe that the addition to paragraph (5) in this section creates an unnecessary barrier for establishing a Designated Representative. The section states that a claimant must submit a new designated representative form if their application for benefits is submitted more than 30 calendar days after the claimant's signature date on the Designated Representative Form. If all the information remains the same and the claimant intends on applying for benefits beyond the 30 days, they should not be required to go through this process again. This would make sense however, in the case of a claimant wanting to designate a new person as their representative that was not on the original form.

While we appreciate the extension from 48 hours to 3 calendar days in which the requesting individual must inform the department if/when learning that the claimant is no longer incapacitated, we strongly encourage the Department to draft this section with as much flexibility as possible. This proposed deadline could still be a burden for family members who are designated representatives who have other important medical related priorities to sort out on behalf of the claimant. We propose the following language, "The Designated Representative may no longer contact the Department on the Claimant's behalf once the Claimant is able to do

so for themselves or after the Claimant has established or reestablished communication with the Department themselves." Once again throughout the rules, it is great to see the department shift from using "eligible employee" to "employee" in several places, which will help ensure that certain provisions are broadly applicable to all of an employer's employees.

We thank you for your continued work on coordinating the rules for Paid Leave Oregon.









REMBERT Daniel A * OED

From: OED_RULES * OED

Sent: Monday, July 1, 2024 9:23 AM **To:** REMBERT Daniel A * OED

Subject: FW: OBI Comments - Batch 11 rules Attachments: OBI Comments - Batch 11 Rules.pdf

From: Paloma Sparks <palomasparks@oregonbusinessindustry.com>

Sent: Sunday, June 30, 2024 7:53 PM

To: OED_RULES * OED <rules@employ.oregon.gov>

Cc: Koenig Katie <katiekoenig@oregonbusinessindustry.com>

Subject: OBI Comments - Batch 11 rules

You don't often get email from palomasparks@oregonbusinessindustry.com. Learn why this is important

Attached are OBI's comments on the Paid Leave Oregon Batch 11 rules.

Paloma Sparks | COO & General Counsel

Oregon Business & Industry

P: 541.337.4740 | E: palomasparks@oregonbusinessindustry.com

1149 Court Street NE | Salem, OR 97301-4030 | www.oregonbusinessindustry.com



June 30, 2024

TO: Dan Rembert, Paid Leave Oregon Division, Oregon Employment Department

FR: Paloma Sparks, Oregon Business & Industry

RE: PFMLI Rules – Batch 11 Implementing SB 1515 (2024)

Thank you for your opportunity to provide comments on the proposed rules to implement the provisions of SB 1515 and HB 4010 each of which passed during the 2024 legislative session.

Oregon Business & Industry (OBI) is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

OBI has been consistently involved in the development of the PFMLI program, including participation on the advisory committee and rulemaking hearings. While OBI is generally supportive of Batch 11, I want to urge the Employment Department to provide employers guidance on their rights and responsibilities under section five of SB 1515, 2024, which inserts an entitlement for employees to use accrued paid leave to "top off" their PFMLI benefits.

OBI and the business community at large supported SB 1515 and the changes it made so that Oregon's overlapping leave laws — Paid Family Medical Leave (PFMLI) and the Oregon Family Leave Act (OFLA) — were not so duplicative, OBI consistently raised concerns about the entitlement created by section five. The problem is currently the agency does not provide estimates of benefits to employers so they can calculate the correct amount of paid leave necessary to "top off" an employee's PFMLI benefits. That problem is exacerbated when an employee works for several employers.

During the February 7, 2024, hearing of the Senate Committee on Labor and Business, the director of the Employment Department testified on the record that the Paid Leave Oregon division could develop a solution to help employers "do the math" so employees are able to "top off" their PFMLI benefits. Unfortunately, the initial draft of the Batch 11 rules contains no guidance to employers on the status of the solution. While no timeline was provided during that hearing on when employers could expect the solution, OBI has received little to no outreach on the progress of this solution from the Employment Department nor was OBI informed that providing that guidance was not possible. OBI remains ready to assist the Employment Department in creating this solution so that employers know their rights and responsibilities under section five of SB 1515. It is crucial that Paid Leave Oregon explain, in rule, how employers are to calculate "top off" PTO and how the division will assist them in that effort. To be silent on this issue in the rules will only lead to confusion and conflict between employers, employees and the division.

Additionally, OBI has concerns about the proposed change in rule 471-070-2220. While we understand the intent, changing the language from "eligible employees" to "employees" will create more confusion. Many employers have operations in multiple states. Requiring distribution of notices or a poster for employees located in states not covered by Paid Leave Oregon will give incorrect information. We urge the Department to retain current language.

Thank you for the opportunity to comment on PFMLI Batch 11.

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Exhibit 04

EXHIBIT 04 – Batch 11 Public Hearings Questions and Unrelated or General Comments

Hearing	Commenter Name	Rule Number	Comment/Question Summary
Hearing #1	Kristin Burrows	471-070-1510,	If employees who are overpaid are subject to
		471-070-1470	repay through tax refunds, how does that work
			for employers who pay into that certain
			employee?
Hearing #1	Nicole Outland	471-070-1010,	If an employee takes Paid Leave Oregon & then
		471-070-1100,	is eligible to worker's comp benefits, will they
		471-070-1205,	then be required to pay back the paid leave
		471-070-1210	benefits received?
Hearing #2	Kiersten Kane	471-070-1110,	Since individual and family member illness and
		471-070-1120	care will no longer be in OFLA, may an employer
			require a due date for PLO paperwork/approval
			to excuse time off? Example, an employee wants
			to take time off for a surgery but does not return
			PLO paperwork or applies for time off after they
110000000000000000000000000000000000000	Vienstein Vene	474 070 4440	miss work. Is there guidance for this?
Hearing #2	Kiersten Kane	471-070-1110,	Employers need a timeline for PLO applications,
		471-070-1120	similar to OFLA's 15 day doctor's certification. Is
			there an allowance for this in the new proposed rules?
Hooring #2	Vioreton Kono	471 070 1110	
Hearing #2	Kiersten Kane	471-070-1110, 471-070-1120	Also, if the new allowance is for 60 days from
		4/1-0/0-1120	date of leave request, and the employee goes out on leave after 1 week of the request, does
			the employee have the full 60 days to return the
			paperwork and have job protection during that
			time?
Hearing #2	Rhonda Wymore	471-070-1510	It's a relief to hear that 471-070-1510 outlines
	The state of the s	., _ 0, 0 _ 0 _ 0	ways to recover overpayments. How will you
			know there's an overpayment? One of my
			former employees said 'Oh, they don't keep
			track.'
			So my question is how would you know there's
			an overpayment if you're not validating leave
			time with employers?
Hearing #2	Paloma Sparks	471-070-2220	471-0700220 - Looks to be a very small change
			and deletes the term 'eligible' for employee - it
			could be considered that employers would be
			required to notify all employees, even if they are
			not eligible for the program. I would suggest to
			restore the term eligible.