

Electronic Alert

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Important Reminders for Employers: Numerous Changes Take Effect on July 1, 2024

By Becky Zuschlag

July 1 is fast approaching and will bring with it several changes employers should be aware of, including an increase in Oregon's minimum wage and statutory changes to the protected reason eligible employees may take leave under the Oregon Family Leave Act (OFLA). Additionally, employers covered by the federal Family and Medical Leave Act (FMLA) should consider updating their FMLA leave year to align with OFLA and Paid Leave Oregon.

Minimum Wage Increase

BOLI recently announced Oregon's new minimum wage rates, which reflect a 50-cent increase to the current rates based on year-over-year inflation. The new minimum wage rates for each region effective July 1, 2024, are:

- Portland metro area within the urban growth boundary: \$15.95 per hour
- Standard minimum wage: \$14.70 per hour
- Non-urban Oregon: \$13.70 per hour

As a reminder, employers are required to post current minimum wage posters in the workplace, in a conspicuous location that employees frequently access. Updated minimum wage posters will be available for download on BOLI's website by June 15, 2024.

OFLA & Paid Leave Oregon

As outlined in a [prior Barran Liebman E-Alert](#), the Oregon legislature repealed OFLA provisions that are duplicated by Paid Leave Oregon to minimize stacking of leave under these laws. Accordingly, beginning July 1, OFLA and Paid Leave Oregon will no longer run concurrently and OFLA will only cover the following absences:

- Home care for an employees' child for any illness, injury, or condition that requires home care (including both a serious health condition and non-serious health condition), and during school closures caused by public health emergencies.
- Bereavement leave, which is now limited to two weeks per family member and capped at four weeks per leave year.
- Pregnancy disability leave.
- From July 1, 2024, through December 31, 2024, OFLA will temporarily provide an additional two weeks of leave to effectuate the legal process for the placement of a foster child or adoption. Paid Leave Oregon will begin covering this type of leave beginning January 1, 2025.

OFLA Leave Year

All Oregon employers must adopt a forward-looking leave year. In the past, employers had many options for tracking an employee's leave. But under changes to the law, effective July 1, employers will be required to designate the OFLA leave year as the period of 52 consecutive weeks beginning on the Sunday immediately preceding the date on which an employee's OFLA leave begins.

FMLA Leave Year

Employers who are covered by FMLA should strongly consider aligning their FMLA leave year with the OFLA and Paid Leave Oregon leave year. FMLA requires an employer who intends to change their method for defining the FMLA leave year to provide employees with at least 60 days advance notice of the change. Accordingly, employers who wish to align their FMLA leave year with OFLA and Paid Leave Oregon must notify their employees of the upcoming change by May 1, 2024.

For questions about compliance with upcoming changes, contact Becky Zuschlag at 503-276-2151 or bzuschlag@barran.com.

For more information about changes to leave legislation, join our upcoming May 29th webinar: "[Complying with New Leave Legislation: Best Practices for Employers](#)."