

# Electronic Alert

Volume 25, Issue 36

October 13, 2022

---

## Oregon & Washington Release Joint Letter Regarding Paid Leave Contributions

By Amy Angel, Stacie Damazo, & Iris Tilley

As Oregon employers with remote workers in Washington have become all too aware in recent years, the question of when to pay into the Washington paid family leave system has not always been clear. Are contributions required when an employee works and lives in Washington but reports to an Oregon employer? What about when the employee spends two days of their workweek at their Oregon employer's headquarters?

The State of Washington's answers to these questions have shifted with time, creating a murky compliance roadmap for employers trying to manage an increasingly hybrid workforce. In addition, as [contributions](#) to [Oregon's paid leave program](#) loom closer beginning January 1, 2023, new questions have surfaced about an employer's potential obligation to pay into both programs for the same employee.

Thankfully, Paid Leave Oregon and the Washington Employment Security Department have come to the rescue with a [joint letter](#) providing guidance regarding how to determine where to report wages and pay contributions.

The joint letter helpfully provides both general guidance and specific examples for employer reference and (...drumroll please...) does not require employers to pay into both state systems at the same time for the same employee, even if the employee splits their work time between Oregon and Washington.

Employers with employees working in both Oregon and Washington are encouraged to review the [joint letter](#) and contact our office with questions. In the meantime, we have distilled some of the key concepts in the following questions and answers:

***What factors should employers consider in determining whether to pay paid leave contributions to Oregon or Washington for a hybrid employee?***

1. Where is the work performed?
2. From which state is the base of operations?
3. Where does direction and control come from?
4. Where does the employee reside?

***How much time does an employee working for an Oregon employer but living and working remotely from Washington need to spend in Oregon to be an Oregon employee for paid leave purposes?***

There is no magic number here, but the employee's work in Oregon must be regularly scheduled. If the work is sporadic and not based on a regular schedule, and if the employee otherwise works remotely from Washington, contributions will be due to Washington State.

*For questions about Paid Leave Oregon-related policy updates, decision-making, or advice, contact Iris Tilley at (503) 276-2155 or [itilley@barran.com](mailto:itilley@barran.com), Amy Angel at (503) 276-2195 or [aangel@barran.com](mailto:aangel@barran.com), or Stacie Damazo at (503) 276-2121 or [sdamazo@barran.com](mailto:sdamazo@barran.com).*