

# New Year's (workplace) resolutions for 2023

The hustle and bustle of the holiday season is upon us, and the new year is right around the corner. With several employment law updates scheduled to take effect, Oregon employers can ring in 2023 in compliance by making (and keeping) these top workplace resolutions.

## **Paid Leave Oregon payroll deductions and notice poster**

Contributions for Paid Leave Oregon start Jan. 1, 2023. The program is funded by payroll taxes. Employees pay 60 percent of the contribution rate, while employers with 25 or more employees pay 40 percent of the contribution rate; small employers, or those with fewer than 25 employees, are not required to contribute but they still must withhold and submit the employee portion of contributions with their payroll reports. The contribution rate for 2023 is 1 percent. All covered employers, regardless of size, are required to post the model notice poster at each work site (and provide it electronically or by mail to any remote workers) by Jan. 1, 2023. The poster is available for download and print in 11 languages from the Paid Leave Oregon website.

## **Earned Income Tax Credit**

Employers are required to notify their employees about the Earned Income Tax Credit (EITC). The EITC is a federal and state tax credit for certain employees making up to \$59,187 in 2022. At a minimum, the EITC requires employers to provide employees with written notice of the tax credit along with their W-2 form each year. The notice can be sent by regular or electronic mail, delivered by hand, or via any electronic manner used to provide the employee's federal W-2 form and must include information on the EITC website from the Oregon Department of Revenue and the IRS. To help employers meet these notice requirements, the Oregon Bureau of Labor & Industries (BOLI) provides sample text that employers can use. The sample text as well as more information on the EITC can be found on



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BOLI's EITC webpage.

### **Employee agreements**

Earlier this year the Oregon Legislature passed SB 1586, which amended the Oregon Workplace Fairness Act (OWFA). These amendments take effect on Jan. 1, 2023. As amended, the law now applies to agreements with former employees, and not just current or prospective employees. Previously, the OWFA restricted employers from requesting - though the employee was free to request - confidentiality, non-disparagement, and no-rehire provisions in both settlement and separation agreements where employees claimed discrimination under certain state statutes. The amendments expand these restrictions to prohibit employers from requesting confidentiality with respect to the amount of or fact of any settlement unless the employee requests such provision. The amendments also require that, in addition to the settlement or separation agreement, employers must provide employees with a copy of the employer's OWFA policy. Now is a great time for employers to review any nondisclosure/confidentiality, non-disparagement, or no-rehire clauses in employment, settlement, separation, and severance agreements to ensure compliance with these changes.

### **Job postings**

Beginning Jan. 1, 2023, amendments to Washington's Equal Pay and Opportunities Act go into effect. They create additional wage disclosure obligations for job postings that may be filled by Washington-based employees. Employers with 15 or more employees must provide a

wage scale or salary range, plus a general description of all benefits and other compensation to be offered to the hired applicant. This is important for Oregon employers as well since the Washington State Department of Labor & Industries recently clarified that this requirement applies to postings for jobs that can be filled by Washington-based employees, including remote workers.

### **Handbook updates**

As a best practice, employers should update their employee handbooks whenever there are changes in the law that impact a handbook policy (such as Paid Leave Oregon). In addition, employers should review all other handbook policies to determine whether any policies need to be revised or removed and whether any new policies should be added. Finally, to ensure multistate compliance, employers with employees in more than one state (including remote employees) should consider whether they need to add any state-specific addenda to capture differences in state and local law.

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