Paid Leave Oregon



Paid Leave Partial Days of Leave Report

April 2026

A future Oregon where individuals,
employers, and families
— of every kind —
have the time and support they need
to care for themselves and
their loved ones
during life's most
important moments.

Executive Summary

Paid Leave Oregon currently requires workers to claim leave benefits in full-day increments. This requirement is set by Paid Leave statute,[1] as well as administrative rules. This limitation may create challenges when a worker is trying to do their best to earn a living and fulfill their employment obligation to their employer(s). The structure does not allow workers to take partial-day absences, even when only a few hours are needed for medical treatment, caregiving responsibilities, or other qualifying events. It particularly affects workers who work at multiple jobs on the same workday.

Workers, advocates, and some employers have expressed increased interest in exploring whether hourly leave increments could provide greater flexibility and improve coordination with the federal Family and Medical Leave Act (FMLA).

A review of state paid family and medical leave insurance programs shows a range of approaches to minimum leave increments. While several states require full day increments similar to Oregon, others allow leave to be taken in smaller increments, often with guardrails such as minimum hour thresholds before benefits are issued. Other leave programs administered in Oregon – including Oregon Sick Time, the Oregon Family Leave Act (OFLA), and FMLA – already support hourly or smaller increments, offering workers flexibility not currently available under Paid Leave Oregon.

If Oregon were to shift to hourly leave increments, significant operational and policy work would be required. Key considerations include statutory changes, updates to administrative rules and communications, extensive system programming and testing, and careful planning to minimize disruption for workers currently receiving benefits. The change would also need to be weighed alongside other major system priorities and continuous improvement efforts within the Oregon Employment Department (OED).

As requested by Rep. Grayber, this report outlines how several Oregon laws, including Paid Leave, currently handle increment leave; how other state paid leave programs address increment leave; and considerations for policymakers when evaluating when deciding whether to change Oregon's approach to incremental Paid Leave.

[1] ORS 657B.090(3) and (4), OAR 471-070-1000, OAR 471-070-1420.

Introduction

Under Paid Leave Oregon law and administrative rules, leave benefits must be claimed and prorated in increments equal to one work day.[2] As a result, workers cannot currently claim benefits in partial-day increments, such as hourly or 15-minute increments. OED further defines "work day" and "work week" in administrative rule.[3]

This limitation can pose a problem when a worker is trying to do their best to earn a living and fulfill their employment obligation to their employer(s). The structure does not allow workers to take partial-day absences, even when only a few hours are needed for medical treatment, caregiving responsibilities, or other qualifying events. It particularly affects workers who work at multiple jobs on the same work day.

Many interested parties – including worker advocates and some employers – have expressed interest in allowing workers to take Paid Leave Oregon in smaller increments. Partial-day leave would let workers use only the portion of their work day necessary for leave rather than the entire day. For example, a worker receiving kidney dialysis in the afternoon may only need to miss part of their shift, not the whole day. Allowing partial-day use could reduce the total leave workers need each week and enable them to work more hours that week. It would also align Paid Leave Oregon with several other leave programs, such as Oregon Sick Time, and support easier coordination with FMLA.

The interest in allowing more flexibility regarding leave increments prompted the introduction of House Bill (HB) 3491 during Oregon's 2025 Legislative Session. Proposed amendments to the bill would have required OED to evaluate the requirements and feasibility of allowing partial-day increments and draft a report. Although HB 3491 was not ultimately amended and did not pass, strong interest in this policy direction remains. While this report does not provide an exhaustive analysis, it offers a high-level overview of key research findings and considerations related to allowing partial-day leave under Paid Leave Oregon.

[2] ORS 657B.090(3) and (4), OAR 471-070-1000, OAR 471-070-1420
[3] OAR 471-070-1000(30) and (31)

Current Claim Process and Requirements

Workers initiate a Paid Leave Oregon claim by submitting an application to OED, typically through the Frances Online system. As part of the application, workers must report the number of work days they typically work in a work week across all employers, up to a maximum of seven work days. Workers with variable or irregular schedules are instructed to calculate an average by dividing the total number of work days worked during the prior 12 weeks by 12 and entering the result rounded up on the application.[4]

The reported number of work days establishes the maximum number of days of leave available to the employee during the benefit year. OED calculates total available leave by multiplying the calculated worker's average number of work days in a work week by 12 (or by 14 if the worker qualifies for two additional weeks of leave related to pregnancy). This calculation may also incorporate other program requirements, including limitations based on medical documentation. For example, a worker who typically works five work days per work week and is approved for 12 weeks of family leave would be eligible for up to 60 work days of leave.

Once a claim is approved, OED issues a decision identifying the total number of approved work days of leave available during the benefit year. Frances Online tracks leave usage by reducing the workers' remaining available work days based on the number of full work days of leave taken in each week.

The Frances system prorates benefit payments to full-day increments. To determine the benefit amount for each work day of leave, the weekly benefit amount is divided by the worker's average number of work days in a work week. Weekly benefit payments for intermittent leave reflect the number of full work days approved during that week. Employers offering an equivalent plan must meet or exceed these proration requirements.

A worker is expected to take the entire work day off when claiming Paid Leave Oregon benefits for that day. If a worker works any portion of a work day they have claimed as leave, they are not eligible for Paid Leave Oregon benefits for that day and may be considered overpaid if benefits were issued.

[4] OAR 471-070-1040

Comparison of Increments Across Leave Programs

Other leave programs in Oregon

In addition to Paid Leave Oregon, several other programs provide workers in Oregon with paid or unpaid leave for specific purposes. Table 1 below summarizes the minimum leave increments permitted under three key programs: Oregon Sick Time, OFLA, and FMLA. These programs are administered by employers, and all three allow employees to take leave in hourly increments, with smaller increments permitted in certain circumstances.

There are often subtle differences in the usage and meaning of terms across different programs, but generally, intermittent leave is leave taken in nonconsecutive blocks of time, while reduced-schedule leave involves a temporary reduction in a worker's usual schedule, with leave covering the time not worked.

Table 1: Leave increments for other Oregon leave programs

Program	Allowable leave increments
Oregon Sick Time	Employees must be allowed to take sick time in hourly increments. Employers may allow smaller increments. Employers that can demonstrate undue hardship may require increments larger than one hour, but no more than four hours, and only if employees are allowed to accrue and use at least fifty-six hours of paid sick time per year.[5]
OFLA	OFLA leave may be taken in hourly increments. Leave use is calculated based on the difference between the hours the employee was scheduled to work and the hours actually worked.[6]
FMLA	Employers must account for intermittent or reduced-schedule FMLA leave using the smallest increment of leave the employer uses for other forms of leave, not to exceed one hour. Employers may choose to use smaller increments.

[5] ORS 653.621; OAR 839-007-0025
[6] OAR 839-009-0240(7)

	Employees may only be charged for the actual amount of leave taken.[7]

Other state paid family and medical leave insurance programs

State paid family and medical leave insurance programs take varied approaches to minimum leave increments, particularly for intermittent and reduced-schedule leave. Table 2 below summarizes the approach each state takes.

Several states, including Delaware, the District of Columbia, New Jersey, and New York, generally mirror Oregon by requiring workers to claim benefits in full-day increments. Washington State required a minimum of eight consecutive hours per claim period, but beginning January 1, 2026, the minimum decreased to four consecutive hours. Other states allow more flexibility. In Maine, leave is generally taken in full-day increments unless an employer authorizes smaller units. Colorado and Massachusetts permit workers to take leave in hourly increments; however, Colorado and Massachusetts do not pay benefits for intermittent leave until at least eight hours of leave have been used.

Table 2: Leave increments for state paid family and medical leave programs

State	Allowable leave increments
California	Disability and Family Temporary Disability benefits are available for each full work day missed for an approved reason. For each day missed, a claimant receives one-seventh of their weekly benefit amount.[8] Part-time or reduced work schedule leave may be allowed in certain situations.[9] Any wages the employee earns in a week must be reported to the Employment Development Department.[10]

[7] 29 CFR § 825.205
[8] UIC § 2627; UIC § 3301(b)(1)
[9] Employment Development Department. (2025, October 27). Part-time/Intermittent/Reduced work schedule. https://edd.ca.gov/en/disability/part-time_intermittent_reduced_work_schedule/
[10] Employment Development Department. (2025, October 27). Reporting your wages or work status for paid family leave. https://edd.ca.gov/en/disability/Reporting_Your_Wages_PFL/

Colorado	Leave may be taken in increments as small as one hour or shorter periods if this is consistent with the leave increments the employer uses. Benefits are payable only after the worker accumulates at least eight hours of leave in the week.[11]
Connecticut	Under the public program, intermittent or reduced-schedule leave is recorded to the minute, and benefits are prorated accordingly. For private approved plans, employers may round leave but not beyond the shorter of the employer's standard increment or one hour.[12]
Delaware	The minimum increment for intermittent leave is one full work day.[13]
District of Columbia (D.C.)	Intermittent leave must be taken in full-day increments. Benefits are not payable for days that the employee performs any work for their employer.[14]
Maine[15]	Employees may take intermittent leave in increments of not less than one work day unless the employer and employee agree to an intermittent or reduced leave schedule in smaller increments. For reduced schedules, the minimum increment of leave that may be taken is one hour.[16]
Maryland[17]	Intermittent leave must be taken in blocks of no fewer than four hours.[18]
Massachusetts	Intermittent leave may be taken in increments as small as fifteen minutes. The program issues payment for intermittent leave only after at least eight hours of leave have accumulated

[11] C.R.S. 8-13.3-505
[12] CT Paid Leave Consolidated Policy CTPL-004-CALC (d)
[13] 19 Del. C. § 3704(b)
[14] D.C. Code § 32-541.01(9)
[15] Program began May 1, 2026.
[16] 26 M.R.S. § 850-B(5)
[17] Benefits begin on January 3, 2028.
[18] Md. Code Ann., Lab. & Empl. § 8.3-701(c)(3)

	or after thirty days have passed since the first intermittent claim.[19]
Minnesota[20]	Intermittent leave follows the employer's leave policy, and a single increment may not exceed one day. Benefits are payable after eight hours have accumulated or after thirty days have passed since the first use of intermittent leave.[21]
New Jersey	Employees can claim intermittent leave in daily increments.[22] Employees may receive up to 56 individual days of leave in a 12-month period.[23]
New York	Paid Family Leave is available only in full-day increments.[24]
Rhode Island	Part-time leave, where an employee works reduced hours in a work week, is allowed under the Temporary Disability program (for example, medical leave for a serious health condition). Part-time leave is not allowed under the Temporary Caregiving Insurance program (for example, leave to care for a family member or to bond with a baby after birth).[25]
Washington	Intermittent leave must include at least eight consecutive hours in the claim week. Beginning on January 1, 2026, the minimum block size will be four consecutive hours.[26]

These approaches reflect the range of implementation strategies available, many of which could inform how Paid Leave Oregon structures any transition to partial-day increments.

[19] 458-CMR-2.02
[20] Benefits began January 1, 2026.
[21] Minn. Stat. §268B.04, subd. 6a
[22] N.J.S.A. 43:21-39.2, 39.3
[23] Division of Temporary Disability and Family Leave Insurance | Family Leave insurance. https://www.nj.gov/labor/myleavebenefits/worker/fli/
[24] 12 CRR-NY 355.9(a)(5)
[25] Temporary Disability Insurance (TDI) & Temporary Caregiver Insurance (TCI) FAQs | RI Department of Labor & Training. (n.d.). https://dlt.ri.gov/individuals/temporary-disability-caregiver-insurance/claimants/tditci-frequently-asked-questions
[26] RCW 50A.15.020(2)(c)

Options for Change

Based on how other state paid leave programs handle minimum leave increments, there are three primary ways that Paid Leave Oregon could be adjusted to allow for partial days of leave:

1. Establishing a minimum partial-day increment

There are a few different options when considering a minimum amount of leave an employee must take when using less than a full work day:

- Four-hour minimum: States such as Washington and Maryland require employees to take at least four hours of leave at a time. This approach limits use to more substantial periods of leave while still allowing employees to work part of the day. However, it provides less flexibility than smaller increments.
- One-hour minimum: Several programs allow leave to be taken in one-hour blocks, offering greater flexibility while still establishing a clear minimum increment.
- Less than one hour: Connecticut and many employer-administered programs permit increments smaller than one hour. This provides the greatest flexibility but would make reporting and benefit calculations more complex and potentially less intuitive for employees.

2. Requiring a threshold of hours before benefits are paid

Some programs, including those in Massachusetts and Colorado, allow employees to take leave in smaller increments but require a minimum number of hours (often eight) to accumulate before benefit payments are issued.

This approach can reduce administrative costs both by limiting payments until the threshold is met and by reducing the number of transactions, which come with processing fees. However, it introduces additional complexity, as the benefits system must be configured to track an additional tally of hours. While feasible, it would require additional system development and clear communication to ensure employees understand when payments will be issued. This option would also likely have an equity impact, because claimants who haven't met the threshold must wait for their benefit payments even though they have already incurred a loss of wages.

3. Applying different rules to different types of leave

At least one state, Rhode Island, uses different increment rules depending on the type of leave. For example, smaller increments may be allowed for medical or disability-related leave but not for family caregiving leave.

This approach acknowledges that medical-related absences, such as ongoing treatments or appointments, are the most common situations where partial-day leave may be needed. However, it adds administrative complexity by requiring different rules (and system configuration) based on leave type and additional messaging to ensure employees understand the distinction.

Key Considerations and Operational Impacts

Introducing partial-day leave would require addressing several operational, policy, and communication considerations for OED and other impacted parties. Shifting from a full-day model to a partial-day model would require statutory and administrative rule changes and involve significant system and program guidance changes, as well as impacts to customers. This section outlines some key considerations associated with moving to a partial-day leave structure, recognizing that the scope and complexity of implementation would depend on how any new increment structure is designed.

Policy updates

Moving to a smaller leave increment would require updates to Oregon's Revised Statutes, administrative rules, policies, and both internal and external guidance materials. Forms, letters, web content, and customer-facing resources would need to be reviewed, updated, and translated. This would require significant time from program policy staff to complete the drafting of changes and work with agency legislative and communications staff to coordinate implementation.

System programming changes

System programming changes are likely the most significant lift associated with a shift to partial-day leave. Because these changes affect core functionality and benefit payments, extensive testing and implementation lead time would be required to reduce the risk of usability issues or incorrect benefit payments. Current estimates suggest approximately 2,500 hours would be needed to define, program, and test changes,

though that number may increase depending on complexity and any unforeseen issues.

While the exact updates would depend on the chosen model, at minimum:

- The Frances Online application and weekly intermittent claims process need to be updated to accept and calculate partial-day entries.
- Staff screens and internal decision tools need to be revised.
- Core financial logic would need to be modified to reflect new benefit proration rules.
- Internal reporting functions may need updates.
- The system would need to be configured to minimize disruption to existing claims (discussed further below).

Impacts to existing Paid Leave Oregon claims in Frances

During the transition period, the department would need to determine how to manage active claims when the new increment takes effect. Two primary options exist:

1. Transition all active claims to the new partial-day model, or
2. Allow claims submitted before the transition date to continue using full-day increments, with new claims using the new model.

Both options present challenges. Transitioning active claims could require claimants to update work schedules and adapt to new weekly reporting processes. Maintaining two models in Frances would create operational complexity and increase potential confusion for staff and claimants.

Communication and outreach

If the program changes the minimum leave increment, OED will need to proactively communicate how the change impacts existing claims for employees, and benefit tracking and related claim administration for employers. Shifting from work days to a smaller increment could create confusion about leave balances, weekly reporting, and coordination with employer processes (including equivalent plans).

OED would need to develop and update website and Frances resources with clear, plain-language guidance explaining how leave use is counted during the benefit year and how the transition approach will apply to existing claims. OED would also need to

schedule outreach events to communicate the change and provide practical guidance to help employees and employers navigate the transition.

Potential changes to equivalent plans

Employers with an equivalent plan are required to provide benefits that are equal to or greater than those provided under the Paid Leave Oregon state plan. If the legislature changes the law to allow a different minimum leave increment under Paid Leave Oregon, equivalent plan providers may need to modify their plans to remain compliant with the requirement that equivalent plans provide benefits equal to or greater than those available under the state plan. This could include submitting updated plans to the department for reapproval, revising benefit system programming and processes, and updating plan documents and other materials provided to employees. The Oregon Department of Consumer and Business Services may also need to revise equivalent plan product standards to reflect the change.

Additionally, under current rules, when an employee is covered by both the state plan and an employer's equivalent plan, Paid Leave Oregon prorates benefits based on the number of work days worked for each employer. If the program moves away from a work-day-based model, proration rules may also need to change. This would require additional policy development, system configuration, and outreach.

Misunderstanding of leave purpose

Reducing the minimum increment of leave may create confusion about the program's purpose. Employees could view the program as comparable to paid sick time and believe it covers less serious health needs, despite statutory requirements limiting benefits to serious health conditions. Such confusion could increase workload related to claim review, documentation requests, and compliance activities.

Trust fund considerations

The impact to the trust fund is uncertain. As of the date of this report, OED has not identified data that would allow for reliable projections. In preparing this report, OED contacted several states that allow partial-day leave to ask whether they track hourly leave usage patterns. While those states could provide high-level information – such as the number of intermittent or reduced-schedule claims filed – more detailed information on the amount of leave actually used under those claim types (for example,

total hours claimed per week or per claim) was not readily available. More granular usage data would be needed to develop meaningful estimates of how partial-day leave might affect benefit payments and overall trust fund performance.

The direction of the impact is also uncertain. Partial-day increments may increase usage by employees who would not otherwise take a full work day, potentially increasing benefit costs. Conversely, employees who currently must take full days of leave for partial-day needs might instead use fewer total hours, which could reduce costs. If implemented, trust fund impacts would need to be monitored closely.

Existing projects and opportunity costs

OED is currently devoting significant policy and technology resources to ensure that our system is streamlined for staff and making it easier for customers to apply and interact with the program. A separate and major current effort is to set up a health care provider portal that will allow the program to interface with providers and receive electronic verifications of serious health conditions or leave to reduce processing timeframes.

However, this project is just one of many updates or improvements identified by OED. There are a number of other important changes desired that will help stabilize the program and improve the customer experience for both workers and employers, including:

- Increased clarity and additional claim-related information provided to claimants and employers in Frances.
- Improvements to the application and claim processes.
- Improvements to internal processing tools to increase the accuracy and speed of claims decisions.

Implementing a partial-day leave change would require redirecting resources from these efforts, delaying other possible improvements to address other agency priorities. Additionally, although the Paid Leave Oregon program would primarily be responsible for contributing the resources, a project of this scale would likely require increased use of OED's Information Technology Services section and the agency's other shared service resources, potentially affecting other programs at the agency.

Timeline

If the legislature decides to transition Paid Leave to partial-day increments, it would likely take two to four years to implement that change. This timeframe, which is dependent on many factors such as the options chosen, should provide sufficient time to develop and test necessary updates and ensure a smooth transition for workers and employers. It is important to note that this estimate does not factor in unforeseen events beyond OED's control that could impact the agency, such as major disruptions similar to the COVID-19 pandemic.

Statutory changes

To transition to hourly leave increments, amendments to existing laws would be required. This could be as simple as modifying ORS 657B.090 to change the minimum increment, but OED would need to work closely with employer and employee representatives, legislators, and legislative counsel to work on language changes and identify any other sections that might also need to be updated.

Conclusion

Transitioning from full-day to hourly increments represents a significant operational shift that will require substantial system changes, careful planning, and a measured timeline to minimize disruption for current claimants and ensure accurate benefit delivery. This work must also be balanced against other key program improvements already underway, and the broader resource needs of the agency.