Paid Leave Oregon

Equivalent Plan Guidebook







State of Oregon
Employment Department

This guide is for informational purposes only. If this guide conflicts with current Oregon state law or rule, the law and rule prevail.

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About this guidebook

This guidebook provides information for Oregon employers on how to provide paid family, medical, and safe leave benefits through an equivalent plan instead of participating in Paid Leave Oregon. You can find more information at paidleave.oregon.gov.

This guidebook was last updated in May 2026.

Disclaimer

The Oregon Employment Department and Paid Leave Oregon have provided this information as a public service. The goal of this guidebook is to give employers a general overview of their rights and responsibilities under their Paid Leave Oregon equivalent plan. It is for informational purposes only and isn't a legal document.

Paid Leave Oregon staff will make decisions on a case-by-case basis. Paid Leave Oregon reserves the right to change and update materials and information as needed. The Paid Family and Medical Leave Insurance Act, signed into law in 2019, (Oregon Revised Statute (ORS) 657B) and the related administrative rules remain the official source of information related to the Paid Leave Oregon program. If there is any conflict between this guide and current Oregon state law or rule, the law and rule prevail.

What is an equivalent plan?

An equivalent plan provides benefits to employees that are equal to or greater than those provided by the state through Paid Leave Oregon.

Employers must submit an equivalent plan application to Paid Leave for approval. Once an approved plan is effective, the employer doesn't have to collect and pay contributions to Paid Leave, and employees apply for and receive paid leave benefits through their employer's equivalent plan.

What are the types of equivalent plans?

Paid Leave may approve employers for an employer-administered or fully insured equivalent plan.

- With an employer-administered plan, the employer assumes all financial risk associated with the benefits and administration of the equivalent plan, whether the plan is administered by the employer or a third-party administrator.
- With a fully insured plan, the employer purchases an insurance policy from an insurance company approved to sell Paid Leave products by the Oregon Department of Consumer and Business Services (DCBS) Division of Financial Regulation. The benefits related to the plan are administered through the insurance policy.

How can employees covered by equivalent plans apply for benefits?

Employees covered under an equivalent plan apply for benefits directly with their employer or the equivalent plan administrator (designated agent or insurance carrier), depending on their type of plan. Equivalent plan employers are required to instruct their employees on how to apply for benefits through their specific plan. Employers with an equivalent plan are legally responsible for compliance with Paid Leave Oregon laws and rules that pertain to equivalent plan employers, regardless of who was delegated administration or whether they have purchased an insurance product.

How can employers apply for an equivalent plan?

Employers must submit an application to Paid Leave Oregon for approval to offer paid leave benefits through an equivalent plan. A separate application must be submitted for each business, based on Business Identification Numbers (BINs).

An equivalent plan application must be submitted for:

- Initial approval of the equivalent plan
- Reapproval of a previously approved equivalent plan, required every year for the first three years
- Changes to a previously approved equivalent plan

Application process

Employers can apply for an equivalent plan anytime.
Employers can apply:

- Through their Frances Online account
- With a paper application (mailed to us) downloaded and printed from the Paid Leave website or
- Requested over the phone at 833-854-0166

Paid Leave makes every effort to process applications and make decisions within 30 days of receiving applications. Once we approve an application, an equivalent plan becomes effective at the start of the next quarter.

The application requires:

- Information about the employer applying for the equivalent plan, including:
  - Business Identification Number (BIN) and Federal Employer Identification Number (FEIN)
  - Business name
  - Business address
  - Business contact's name and contact information

- A copy of **one** of the following:
  - » Employer-administered equivalent plan
  - » Insurance policy or the insurance product forms and chosen options or variables
- A completed questionnaire (provided within the application) showing that the plan meets all requirements for equivalent plans
- Proof of solvency (only required for employer-administered plans):
  - » Proof of sufficient assets **or**
  - » A bond or an irrevocable letter of credit with the Oregon Employment Department (OED) named as the payee or beneficiary, issued by an insured institution
- Information about the insurance policy and carrier (only required for fully insured plans):
  - » Business and contact information for the insurance carrier
  - » Date the policy begins and ends
- Payment of the required application fee (see fees below)
  - » Initial application requires the fee with application submission
  - » Modifications or reapproval request fees are assessed by Paid Leave staff. Employers must pay the fee before approval.

Application fees

The non-refundable fees for equivalent plans are as follows:

Initial approval of an equivalent plan	$250
Reapproval of an equivalent plan with substantive changes	$250
Reapproval of an equivalent plan with non-substantive or no changes	$150
Reapproval of an equivalent plan with substantive changes due only to legal changes to Paid Leave	$0
Updates to an equivalent plan that do not require reapproval	$0

Effective dates

An equivalent plan will become effective the first day of the calendar quarter following OED's approval of the application. Once an equivalent plan becomes effective, the employer won't have to pay Paid Leave contributions.

An equivalent plan amendment will become effective the first day of the calendar quarter following OED's approval of the amendment.

Example

An employer sends an equivalent plan application on October 7. On October 29, OED issues an approval letter for the equivalent plan with an effective date of January 1, which is the first day of the calendar quarter following the approval. The employer will continue to pay contributions until January 1. Employees will be covered under the state plan until January 1.

Appeals for denied applications

If OED denies an equivalent plan application, the employer remains covered by Paid Leave Oregon and must continue to collect and pay contributions. Employers can appeal denials by submitting a request electronically through Frances Online or in writing to Paid Leave. Directions on how to submit a hearing request will be included in the decision letter.

Re-approval of an approved plan

Employers or plan administrators must apply for re-approval of their equivalent plans as follows:

- Annually for the first three years following initial approval, due 30 days before the anniversary of the effective date of the original approved plan
- Any time the employer plans to make substantive changes (see the following definition) to their approved plan

Note: Accepted amendment applications don't modify the annual reapproval requirements for equivalent plans.

Substantive changes

OED considers the following changes to an approved equivalent plan as substantive and requires preapproval:

- Changing from a fully insured equivalent plan to an employer-administered equivalent plan
- Changing from an employer-administered equivalent plan to a fully insured equivalent plan
- Changing fully insured equivalent plan insurance policies if the new policy reduces available leave benefits, regardless of whether the new plan is from the same insurance provider or another insurance provider
- Changes to answers on the equivalent plan application questionnaire
- Any changes that amend an employer-administered equivalent plan, except those listed as non-substantive amendments below

Substantive changes to a previously approved equivalent plan become effective on the first day of the calendar quarter following the date of approval. If OED denies the requested change, the employer must continue to follow the originally approved equivalent plan.

Non-substantive changes

Employers can make non-substantive changes to an equivalent plan at any time by updating the equivalent plan application information. There is no fee for non-substantive changes.

The following changes to an approved equivalent plan are considered non-substantive:

- Changes to employer or insurer contact information
- Correction of spelling or grammatical errors
- Changes to statutory references
- Increasing benefit amounts or approved types of leave, regardless of whether it is the same insurance provider or another, or the same employer policy.

Non-substantive changes become effective when the employer notifies Paid Leave of the change and sends us the revised equivalent plan.

What are the requirements for equivalent plans?

To receive approval, an employer must demonstrate that their equivalent plan, and insurance policy if applicable, meet the following requirements.

Coverage

An equivalent plan must cover all employees who work for the employer, including full-time, part-time, seasonal, and temporary employees as follows:

- Employees who were previously covered under Paid Leave or who are new to the Oregon workforce must be covered within 30 days of hire.
- Employees who were previously covered by an approved Oregon equivalent plan must be covered on the date of hire.

Employers or plan administrators can request information from OED to determine when they need to cover a new hire. If an employer doesn't provide coverage at the time of hire, they may have to withhold employee contributions and send payments to the state paid leave program for the period before coverage starts under their equivalent plan.

Contributions

Employers with an approved equivalent plan may assume all or part of the costs related to that equivalent plan. However, an employer or plan administrator may not withhold more than the amount employees would have paid in contributions for the state paid leave program.

The contribution rate and maximum wage amount is 1% of each employee's wages up to the social security wage index for the year. Employee contributions are 60% of the rate. For every $1,000 in wages, an employer may not withhold more than $6 to fund an equivalent plan.

OED sets the contribution rate and maximum wage amount annually by November 15. The social security wage index changes on January 1 each year. Current and recent rates and maximum wage amounts are available on our website.

Employers or plan administrators may not withhold more from their employees' paychecks than stated in their equivalent plans. Employers can't retroactively withhold additional contributions, even if the equivalent plan is withholding less than the amount allowed by the state paid leave program. Employers that collect employee contributions to fund their equivalent plans must include the process for collecting deductions in their employee notice poster.

Employers must use employee contributions for equivalent plan expenses only and contributions can't be considered part of an employer's assets for any purpose. Misuse of employee contributions may result in termination of the equivalent plan.

Benefits

An equivalent plan must provide benefits equal to or greater than those provided by Paid Leave. This includes at least the same qualifying leave purposes, amount of leave, benefit amounts, and job protections.

Employees covered by an equivalent plan apply for benefits through their employer or equivalent plan administrator. The equivalent plan must not include any additional conditions or restrictions on the use of paid leave beyond the requirements in law and rule for Paid Leave.

When an employee applies for benefits under an equivalent plan, the employer or administrator may request consent from the employee to obtain benefit information from OED to make sure benefits are equal to or greater than those provided by the state plan. The request should include the employee's name, Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN), and the employee's contact information.

If the employee doesn't give consent, the employee can also request the needed benefit information from OED. Once OED receives a request for benefit information, we will respond within 10 calendar days of the date of the request and may contact the employee directly for more information.

Decisions on benefit claims must be in writing, either in hard copy or electronically, and include the amount of approved leave, the weekly benefit amount, and how the employee may contact OED to request their average weekly wage amount if the employee believes the potential benefit amount may be incorrect.

Denial decisions must include the reason(s) for the denial and an explanation of the employee's right to appeal the decision, as well as instructions on how to submit an appeal.

Benefit eligibility

An equivalent plan must provide benefits to all covered employees who have earned a minimum of $1,000 in gross wages during the previous year and who experience a qualifying event. This includes wages from all employment in Oregon. The time frame we use to confirm benefit eligibility is the same for equivalent plans and is either:

- The first four of the five completed quarters before the start of the benefit year (base year) **or**
- The four most recently completed quarters before the start of the benefit year (alternate base year)

We only use the alternate base year if there are insufficient wages in the base year. Employers can verify employee eligibility with OED.

Types of leave

An equivalent plan must cover at least the following types of leave:

- **Family leave:** to care for and bond with a new child in the first year after birth, adoption, or their placement in an employee's home through foster care.
- **Family leave:** for pre-placement activities necessary to complete a child's adoption or foster care placement.
- **Family leave:** to care for a family member with a serious health condition. Family members include spouses and domestic partners, children, parents, siblings or stepsiblings, grandparents, grandchildren, and any person related by blood or affinity whose relationship is equivalent to family.
- **Medical leave:** for an employee's serious health condition.
- **Safe leave:** for survivors of sexual assault, domestic violence, harassment, bias crimes, or stalking, or to obtain legal or law enforcement assistance, seek medical treatment to recover from injuries, obtain counseling or support services, relocate or take other steps to secure the health and safety of themselves, their child, or a dependent adult.
- **Additional pregnancy leave:** The parent who gave birth may also take up to an additional two weeks of leave related to pregnancy issues.

Amount of leave and schedules

An equivalent plan must provide at least 12 weeks of paid leave per benefit year in any combination of family, medical, and safe leave. The plan must also provide an additional two weeks of paid leave for limitations related to pregnancy.

An equivalent plan must allow employees to take paid leave in days or weeks. Employees can't take paid leave for less than a day. Employees can take consecutive or intermittent leave. Consecutive leave means the employee takes leave from the start to the end date of their leave, and they don't work during their leave. Intermittent leave means the employee takes days or weeks of leave between the start and end dates of their leave, but they also may work at their job on days they are not taking leave.

The benefit year starts on the Sunday before the start date of paid leave and lasts for 52 weeks. An employee who has started a benefit year under previous coverage continues the same benefit year under the equivalent plan until the year is complete. Employers can request information on previously established benefit years from OED.

Verification of qualifying life event

Equivalent plans can't have additional requirements to verify qualifying leave beyond those established for employees covered by Paid Leave. Equivalent plans must recognize the same family relationships that Paid Leave recognizes.

- For **family leave**, the employer may require documentation to show:
  - The birth, adoption, or foster care placement of a child and the employee's qualifying relationship with the child
  - The intent to adopt or foster a child
  - That a family member has a serious health condition
- For **medical leave**, the employer may require documentation to show a serious health condition.
- For **safe leave**, the employer may need documentation, but the employer must accept self-attestation when the employee can't provide documentation of the event.
- For limitations related to pregnancy, the employer may require documentation to show that the employee is currently pregnant or was pregnant within the past year, but not to verify related limitations.

Benefit amounts

An equivalent plan must provide benefit amounts that are equal to or greater than benefit amounts under Paid Leave. The employee's previous wages and the state average weekly wage determine the benefit amount. Paid Leave calculates benefits using the following information:

1. OED sets the state average weekly wage and uses it to set a minimum weekly benefit amount that is 5% of the state average weekly wage and a maximum that is 120% of the state average weekly wage. OED will publish the state average weekly wage and both the minimum and maximum weekly benefit amounts every year by July.

2. OED calculates an employee's average weekly wage based on the employee's wages before the start of the benefit year. Specifically, all wages from the base year (first four of the previous five completed quarters) are added together and then divided by the number of weeks in those quarters (even if the employee didn't work one of the weeks). If an employee does not have $1,000 in those quarters, then OED used wages for the alternate base year (the most recent four quarters). Employers and employees can request the employee's average weekly wage from OED.

Benefit amounts are as follows:

- If the employee's average weekly wage is equal to or less than 65% of the state average weekly wage, the employee's weekly benefit amount is 100% of the employee's average weekly wage.
- If the employee's average weekly wage is greater than 65% of the average weekly wage, the employee's weekly benefit amount is the sum of:
  - 65% of the average weekly wage plus
  - 50% of the employee's average weekly wage that is greater than 65% of the average weekly wage.
- OED limits the benefit amount to 120% of the state average weekly wage amount.

An employer with an equivalent plan can choose to pay the same or greater benefits than Paid Leave but can't pay less than Paid Leave.

OED and the equivalent plan use the benefit amount for the entire benefit year and the amount won't change throughout the benefit year.

Simultaneous coverage

If an employee has coverage under more than one plan at the start of leave, the employee must apply for benefits with each plan separately. To identify other coverage, an employer may ask an employee whether they have additional paid leave coverage but may not require that the employee provide details on other employers or plans.

If the employee agrees, the employer may then request the employee's average weekly wage, if a benefit year was started, and if the leave was completely used from OED.

If the employee doesn't agree to have the employer contact OED, the employee may contact OED to get the information and then give it to their employer.

If OED is aware of simultaneous coverage, we will adjust the weekly benefit amount by prorating the current days worked for each respective plan for which an employee has coverage. OED will notify employers of the prorated benefit amount, and the employer with the equivalent plan must pay at least its portion of the weekly benefit to the employee.

OED may contact equivalent plan employers about current or former employees to find out if a current benefit year exists. If a claimant started a benefit year under an equivalent plan, OED will also request information about leave a claimant took under the equivalent plan. This may include the number of days the claimant used for intermittent leave, number of weeks they used under consecutive leave, and the total amount of benefits paid to the claimant under the equivalent plan.

If the employer fails to provide this information within 10 days of the request, OED will calculate the number of leave days taken and available using the information that the claimant provided to the department or that the department found through other reporting sources. Failure to provide needed information may result in a penalty for violating equivalent plan requirements. The plan may also be ended through the termination process.

Benefit payments

Employers or plan administrators must make a reasonable effort to issue the first benefit payment to an employee within two weeks after receiving the claim or the start of leave, whichever is later. Benefit payments afterwards must be weekly, if the plan is fully insured, or according to the employer's regular pay schedule, if the plan is employer-administered.

Job protections

An equivalent plan must provide job protection to employees taking paid leave if they have been employed for at least 90 consecutive calendar days.

When an employee returns to work from Paid Leave, if they have worked for you for at least 90 consecutive days and the position still exists, they have the right to the same job they had when they left. This means they don't lose their job title, role, or rate of pay. They will also keep the pension they earned before going on leave.

If the position no longer exists, then job protection depends on the size of the employer:

- For large employers (25 or more employees on average), the employee has the right to any available equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment. If an equivalent position is not available at the employee's former job site, the employer must offer the employee an equivalent position at a job site located within 50 miles of the former job site. The position must require the same skill, effort, responsibility, and authority as the position they had before taking paid leave.
- For small employers (with an average of less than 25 employees), the employer may, at the employer's discretion and based on business needs, restore the employee to a different position with similar job duties, same employment benefits, working conditions, and pay as their old position.

Failure to provide job protections is an unlawful employment practice. An employee who believes there was a violation of job protections may bring a civil action against the employer or file a complaint with the Commissioner of the Bureau of Labor and Industries.

Continuation of health benefits

If the employee has worked for the employer for 90 consecutive calendar days, the employer must maintain an employee's existing health benefits during the entire length of the employee's paid leave. The employer can require the employee to pay their share of health premiums while they're on leave. This can only be equal to what the employee paid before they went on leave. If an employee can't or won't pay their portion of health premiums, the employer may choose to stop health care benefit coverage, unless doing so means the employer can't restore the employee to full benefit coverage once the employee returns to work. The employer may also pay the employee's share of the health premiums and then collect this amount from the employee's future paychecks until the employee has paid back what they owe. This amount per paycheck can be up to 10% of the employee's gross pay.

Appeals and disputes

Employers or plan administrators must provide an appeal process to review benefit decisions when an employee asks for one. The employee must have at least 60 calendar days from the date of the written denial by the employer or plan administrator to request an appeal. The employer must provide a written decision (either hard copy or electronically) regarding the appeal to the employee within 20 calendar days after the appeal is received.

If the employee and employer or administrator can't resolve an appeal through the equivalent plan's appeal process, the employee may request dispute resolution assistance through the Oregon Employment Department within 60 calendar days after the employer or administrator issued an appeal decision. The department will review the dispute and provide the employee and employer with an advisory decision within 20 calendar days of receiving the dispute resolution request.

If the employer or administrator doesn't follow the department's advisory decision, the employee may send a wage claim to the Oregon Bureau of Labor and Industries under ORS chapter 652. Both the employer and employee can appeal the outcome of the advisory decision with the Office of Administrative Hearings. Employers can appeal within 20 calendar days and employees can appeal within 60 calendar days.

What are the responsibilities of employers with equivalent plans?

An equivalent plan employer must adhere to the terms of their approved equivalent plan and meet the following responsibilities to maintain their equivalent plan.

Notice to employees

Employers must provide notice to employees about the coverage provided under the equivalent plan. Employers must give notice to employees at the time of hire and each time the policy or procedure changes. The notice must be in the language that the employer typically uses to communicate with the employee.

Employers must display the notice in each building or worksite in an area that is accessible to and regularly frequented by employees. Employers must provide notice to remote-work employees by hand delivery, electronic delivery, or regular mail upon the employee's hire or assignment to remote work.

Paid Leave Oregon will provide an employee notice template for employers offering equivalent plans that will include the following required information:

- Benefits available under the approved plan, including the amount of leave
- How to file a claim to receive benefits under the plan
- Employee contributions withheld for the plan
- The process to appeal benefit decisions
- Job protections and the continuation of health benefits during paid leave
- Prohibition of discrimination and retaliation related to paid leave and the right of an employee to bring civil action
- Confidentiality of any health information provided

Employers must update notice posters if any of the department requirements for the notice change. We will announce these changes and provide an updated template on our website. Employers who don't follow the employee notice requirements may be subject to fines or equivalent plan termination by the Oregon Employment Department.

Reporting requirements

Employers with an equivalent plan are required to follow both reporting requirements for all employers and specific reporting requirements for equivalent plans.

Combined payroll reports

Employers with an approved equivalent plan are required to file combined payroll reports and provide Paid Leave Oregon wage information for all employees on Form 132 - Employee Detail Report and employee count information on Form OQ - Oregon Combined Quarterly Report. The only difference in payroll reporting for equivalent plan employers is that the contribution amount is not due. Tax forms and more information on payroll reporting can be located here.

Equivalent plan reports

Employers, or their plan administrators, must send an annual report on benefits usage, and employers who withhold employee contributions must also report financial information. The annual report is due on or before January 31 for the previous year.
Employers must also send benefits usage and contributions reports when a plan is terminated or withdrawn.

The equivalent plan report collects the following information:

- Number of benefit applications received during each reporting period and the qualifying purposes
- Number of benefit applications approved during each reporting period, the qualifying purposes, the increments of leave approved, and duration of leave approved
- Number of benefit applications denied during each reporting period, the qualifying purposes, and the reason for denying applications
- Number of appeals made on denials and the outcome of the appeals, including how many denials were upheld and information relating to the specific reason claims were denied
- Information relating to benefit payments paid to employees, including the total benefits paid, average benefit payment amount, average number of days from initial application being received until payment, and average number of days from the start of leave until the first payment
- Demographic information for each employee with approved leave, including employee age and income

If the employer withholds employee contributions, they must also report aggregate financial information:

- Total amount of employee contributions withheld during the reporting period
- Total plan expenses paid during the reporting period, including the total benefit amount paid, and total administrative costs, if applicable
- Balance of employee contributions held in trust at the end of the reporting period
- Balance of benefits approved but not yet paid, if the plan is an employer-administered plan and the plan is ending

Employee coverage reporting at the Oregon Employment Department's request

Employers must respond to any request from the Oregon Employment Department for information about current and previous employees employed in the base year within 10 calendar days from the date of the notice. This includes reporting changes to coverage when a plan becomes effective, is terminated, or withdrawn.

The information requested can include:

- If a benefit year was established
- The start and end date of the established benefit year
- Total amount of benefits paid in the benefit year
- The amount of leave remaining in the benefit year

Recordkeeping and compliance reviews

The Oregon Employment Department will conduct periodic reviews of benefits provided under an approved equivalent plan to ensure compliance with the requirements of an approved equivalent plan.

Employers with an equivalent plan must keep their related records for six years after the start of their plan and must provide the records to the Oregon Employment Department when requested. Documents that may be requested for review include all required reports, information, reporting requirements, and records relating to the equivalent plan. This includes, but is not limited to, financial information, employee leave applications and records on benefits paid or denied.

If the Oregon Employment Department determines that an equivalent plan employer is not offering appropriate benefits or following the guidelines, the Oregon Employment Department may impose a fine of $1,000 for the first violation and $2,000 for each additional violation.

How can I withdraw my equivalent plan?

All equivalent plans start on the first day of a calendar quarter. They also end on the last day of a quarter so that state plan coverage starts on the first day of the next quarter. An employer can ask to withdraw an equivalent plan at any time. However, all plans must remain in effect for at least one year.

When the plan ends will depend on when the request is sent. See the table below.

Request is sent	Plan ends on	Example
More than 30 days before the first anniversary of the plan	The date that the plan has been in effect for one year	Plan started April 1, 2025, and the request is sent on Aug. 15, 2025 Plan ends on March 31, 2026. State coverage starts April 1, 2026.
More than 30 days before the end of the current quarter (plan in effect more than 1 year by the end of the quarter)	The last day of the current quarter	Plan started on April 1, 2025, and the request is sent on Aug. 15, 2026. Plan ends on Sept. 30, 2026. State coverage starts Oct. 1, 2026.
Less than 30 days before the end of the current quarter (plan in effect more than 1 year by the end of the quarter)	The last day of the next quarter	Plan started on April 1, 2025, and the request is sent on Sept. 15, 2026. Plan ends on Dec. 31, 2026. State coverage starts Jan. 1, 2027.

Table 1: Withdrawal Effective Dates

If OED approves the employer's request to withdraw their plan, the employer must start participating in the state plan starting the day after the withdrawal becomes effective. This includes withholding all required employee contributions. The employer also must do the following:

- Provide notice of the withdrawal from an equivalent plan to its employees at least 30 days before the effective date of withdrawal. The notice must include the date of the withdrawal and all information for the state plan that is contained in the model notice. A copy of the model notice is available on our website.
- Continue accepting and processing applications for benefits until the equivalent plan ends.

- Pay all approved benefits until the total amount of the approved benefit claim is paid, the leave ends, or the benefit year ends; whichever occurs first.
- Complete an annual report and send it to the department within 30 days of the plan ending. More information about the reporting requirements can be found in the Equivalent Plan Reports section.
- Pay the balance of employee contributions into the Paid Leave Oregon Trust Fund, minus any benefits the employer expects to pay and any related administrative expenses. The Oregon Employment Department assesses the amount based on the annual report and any other financial information. An invoice for this amount will be sent once the department receives the annual report. Interest will accrue from the date of the invoice until paid in full.
- If benefits are still being paid, the employer must send a final annual report once all benefits are paid and all related administrative expenses have been incurred. Once we receive this report, we will send a second invoice for any remaining contributions the employer owes. This invoice is also due upon receipt and interest will accrue from the date of the invoice until paid in full.
- The employer must continue to provide Paid Leave with information about benefits paid to current and previous employees, as requested, for the administration of Paid Leave benefits. This can include information about benefit years started under the withdrawn equivalent plan, leave taken under the plan, and the amount of benefits paid to specific employees while the plan was in effect.

If Paid Leave denies the withdrawal request, we will provide the employer with the next steps for their equivalent plan based on the reasons for the denial. Employers may appeal the denial but must also continue to provide benefits during the appeals process. More information about the appeals process can be found in the Appeals for denied applications section of this guidebook.

When can the Oregon Employment Department terminate an equivalent plan?

The department may terminate an equivalent plan for the following reasons:

- Misuse of employee contributions received or retained by the employer
- Failure to follow the department-approved equivalent plan or to report equivalent plan changes to the department
- Failure to follow program requirements and reporting requirements
- Failure to file for reapproval
- Employer insolvency
- Termination of the insurance policy by the plan administrator
- Failure to respond timely to the department's reasonable inquiries for information about the equivalent plan
- Closure of business
- At the request of a successor in interest within 90 days of acquiring the business

If the department intends to terminate an equivalent plan, it will provide the employer with the reason(s) for termination and instructions regarding how to resolve the termination reason(s), if possible. The department will terminate the equivalent plan if the employer doesn't resolve the issue. The Oregon Employment Department will send a notice with the effective date of termination, which will be the last day of the calendar quarter.

The employer must notify employees of an equivalent plan termination within 10 business days after the termination is effective. All applicable equivalent plan requirements must remain in effect until the effective date of termination. If the employer doesn't agree with the reason(s) for termination, the employer may appeal within 20 calendar days of the notice.

Upon the effective date of termination, the employer must provide the Oregon Employment Department an updated equivalent plan report with financial and benefit use information. The employer must pay the balance of employee contributions to the Paid Leave Oregon Trust Fund. The Oregon Employment Department assesses the amount based on the most recent financial reports and any other financial information. The balance will include employee contributions held by the equivalent plan employer minus the amount of benefits paid and promised, as well as administrative expenses. Interest will accrue from the date of the termination until paid.

Upon the effective date of an equivalent plan termination, the employer must begin withholding and paying employee contributions and paying employer contributions to Paid Leave Oregon.

An employer whose equivalent plan was terminated can't apply for another equivalent plan for three years from the date of termination.

What happens if I sell or transfer my business?

If there is a complete business transfer, including the transfer of the BIN associated with the equivalent plan, the previously approved equivalent plan stays in place. If the new owner chooses to end an equivalent plan, they may request to terminate the plan within 90 days from the date of the acquisition for any reason. If outside of the 90-day window or if the plan has been in effect for more than one year, they may go through the standard process of withdrawal of an equivalent plan.

Contact us

You can find more information about Paid Leave on our website at paidleave.oregon.gov.

If you have questions, you can use our Contact Us form or call us.

Contact Us form: https://frances.oregon.gov/Claimant/_/

Call: 833-854-0166

Need help?

This information is vital. The Oregon Employment Department (OED) is an equal opportunity agency. OED provides free help so you can use our services. Some examples are sign language and spoken-language interpreters, written materials in other languages, large print, audio, and other formats. To get help, please call 833-854-0166 (toll-free). TTY users call 711. You can also send an email to access.paidleave@oregon.gov.