

Oregon and Washington Issue Joint Letter Providing Guidance on Paid Family Leave

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Beginning on January 1, 2023, [Oregon](#) will join [Washington](#) and eleven other states in providing paid family leave to all employees.

As Oregon employers prepare for the implementation of paid family leave, questions have arisen regarding remote workers residing out of state or employees working across state lines. This situation raises the question, “Where do employees perform their work?” Fortunately, the Oregon Employment Department and the Washington Employment Security Department recently released a [joint letter](#) providing some guidance, which includes the following highlights.

- ▶ Employees and employers are required to contribute to only one of the states’ systems, not both.
- ▶ To which state an employee’s contributions will be made depends primarily on where the work is performed.
- ▶ If an employee physically performs all work in Oregon, “all of the employee’s wages” will be reported to Oregon. If an employee physically performs all work in Washington, “all of the employee’s wages and hours” will be reported in Washington.
- ▶ If an employee regularly performs work in multiple states, including Oregon and Washington, the employer should look to where its base of operations is located, or, if there is no base of operations, from which state the employee’s work is directed and controlled. If that inquiry points to one state, the employee will report to that state.
- ▶ If an employee performs work in multiple states, and the employer has neither a base of operations nor a center of direction and control in Oregon or Washington, the employee will report to the state in which he or she resides.

Key Takeaways

Employers may want to consider whether employee information, such as an employee’s state of residence, needs to be updated. Many employees may have relocated but have not informed their employers. Employers may want to ask employees to update their information.

Employers that operate in both Oregon and Washington, and whose employees perform work in both states, may want to consider designating an official site as the base of operations for direction and control for purposes of paid leave contributions in either Oregon or Washington.

Employers may also want to consider informing employees as to which state their paid leave program contributions will be applied. This will avoid employee confusion when employees apply for Oregon or Washington paid leave benefits.

Ogletree Deakins will continue to monitor and report on developments with respect to Oregon's and Washington's paid leave programs and will post updates on the firm's [Leaves of Absence](#) and [State Developments](#) blogs as additional information becomes available. Important information for employers is also available via the firm's [webinar](#) and [podcast](#) programs.