



Washington State Approves Paid Family and Medical Leave Law

By Matthew R. Kelly

On July 5, 2017, Washington became the fifth state in the nation to approve a paid Family and Medical Leave law. The new law, which takes effect on January 1, 2020, is one of the most generous in the country and will apply to any person or business that employs at least one employee in the State of Washington.

The Benefits Under the New Family and Medical Leave Law

Qualified employees will be entitled to up to 18 weeks of paid leave. The law provides eligible employees with 12 weeks of paid time off for (i) the birth or adoption of a child or for an employee's family member or (ii) for the serious medical condition of the employee. An employee may take a combined total of 16 weeks for both family and medical leave. Employees with a serious health condition related to pregnancy are also provided with an additional two weeks of paid leave.

The weekly benefits will be calculated based on a percentage of the employee's wages and the state's weekly average wage. Lower income employees will receive a higher percentage of their average weekly wage than higher income employees. However, the maximum weekly benefit is \$1,000 per week.

To qualify under the new law, employees must work at least 820 hours (for any Washington employer) during the "qualifying period." The qualifying period is the first four of the last five completed calendar quarters or, if eligibility is not established, the last four completed calendar quarters immediately preceding the application for leave. Self-employed and independent contractors are excluded. However, self-employed individuals may elect coverage.

Washington Will Begin Collecting Premiums in 2019

Washington will begin collecting premiums on January 1, 2019. The premiums from January 1, 2019 to December 31, 2020 will be equal to 0.4 percent of the wages. Employers will pay 37 percent of the premium, while the employees will pay the remaining 63 through payroll withholdings. For calendar years 2021 and thereafter, the total premium rate will be based on the family and medical leave insurance account balance ratio of the previous year.

Employers with 50 or fewer employees are exempt from paying the employer share. Self-employed individuals who elect coverage pay only the employee share of the premium. Companies that already offer such programs can opt out of the program, so long as they are at least equivalent to the state program.

Employers Should Begin Reviewing their Family and Medical Leave Programs

Given the new Paid Family and Medical Leave law, employers should review their paid time off policies. Those who already offer paid family leave programs should determine if their programs are at least equivalent to the state program and decide whether to opt out of the new law. Washington's new paid family leave law must also be reconciled with the other state and local paid sick leave laws.

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