

Washington Family Leave Insurance

Starting October 2009, parents of newborn and newly adopted children will be able to take up to 5 weeks off work to care for their child with a weekly benefit of \$250 (pro-rated for part-time workers). All new parents who have worked at least 680 hours in the previous year will be eligible. Workers in companies with more than 25 employees will also have job protection while out on family leave, if that worker has been with the employer a full year and worked at least 1,250 hours.

Washington is the second state in the nation to adopt family leave insurance for all new parents. The program not only updates Washington's workplace standards to serve today's families. It will also improve the health of Washington's children, bolster foundations for early learning, enhance family financial stability, and promote business productivity.

What's Ahead in 2008

To ensure the Family Leave Insurance Program is ready to provide benefits in 2009, the Washington Legislature must take two actions in 2008. These actions will save \$5.2 million in one-time start-up costs and \$1.7 million annually in on-going administrative costs:

1. Pass Substitute House Bill 3305 and Senate Bill 6280, implementing recommendations of the Family Leave Insurance Task Force.

The bipartisan Task Force, including representatives of the Legislature, business, labor, and families, met in the fall of 2007 to develop programmatic recommendations for legislators. These include:

- Simplifying application procedures and streamlining administration of benefits.
- Clarifying definitions and job protection provisions.
- Assigning the Employment Security Department to administer the program.
- Protecting employers from unintended effects on Unemployment Insurance premiums.

2. Include \$6.2 million for family leave start-up costs in the Supplemental Budget.

The Employment Security Department estimates costs of \$6.2 million through June 2009 to set up computer systems, develop information for employers and workers, and other costs associated with establishing the family leave insurance program. Governor Gregoire included the \$6.2 million in her Supplemental Budget request.

Long Term Funding

Dedicated long-term funding for family leave could come from:

- **A payroll tax.** As originally introduced, Washington's family leave insurance bill included care of sick family members and the worker's own illness, funded through a worker-paid payroll tax. (Similar to the financing for California's paid family leave program and disability insurance programs in other states covering maternity leave.)
- **Other taxes related to public health**, such as a sales tax on candy and gum, or surcharges on soda pop or liquor.
- **A federal/state partnership**, as Congress moves forward with paid family leave.