Phase Six post adoption notice

On December 20, 2019, new rules related to the Paid Family and Medical Leave program took effect. The rules provide guidance on a number of topics, including those related to the passage of SHB 1399 (2019). These topics include:

- Program definitions
- Premium liability for employers and self-employed individuals
- Voluntary plans
 - Eligibility
 - Withdrawal and termination
- Employee notice to employer
- Employee benefits
 - Calculation
 - o Duration
 - Child support withholding
- Overpayments
- Appeals

The new rules define supplemental benefit payments for the purposes of wage reporting. Employers who offer supplemental benefit payments through the use of paid time off (or another employer benefit) are not required to report such payments as wages on their quarterly report.

Wages for self-employed individuals for each quarter should be reported as the combined total of net income and gross wages paid to the individual from the business entity.

Any premium overpayment of \$50 or more can be refunded or applied to future premium assessments at the employer's discretion. Premium overpayments of less than \$50 will be applied to future premium assessments.

Approved conditional waivers will expire when the employee works 820 hours in a period of four consecutive calendar quarters. The department will assess the employer and employee separately for any premiums owed.

Employers with an approved voluntary plan may elect to waive the requirement that an employee work 340 hours for that employer before they become eligible for benefits under that plan.

Employees covered by different plans through multiple employers will receive benefits from the plan of the employer for which the employee has worked the most hours in the qualifying period.

Employers with an approved voluntary plan that either withdraw their plan or have their plan terminated by the department are still responsible for benefit payments to employees who are on paid family or medical leave on the effective date of the termination or withdrawal. Additional payments may also be required.

Employers with an approved voluntary plan may, with consent from the employee, make deductions from the benefit payment for purposes such as health insurance premium payments, retirement contributions, taxes, etc.

To be eligible for a small business assistance grant, employers must not owe any back premiums, penalties, or interest that have been assessed by the department for the purposes of Paid Family and Medical Leave.

Employers are permitted to waive any requirements pertaining to an employee providing notice of their intent to take paid family or medical leave in order to allow that employee to become eligible for benefits.

If an employee's qualifying period includes a quarter for which the employer has not yet submitted a report to the department, the department will contact the employer to request the employee's hour and wage information for that quarter.

Paid Family and Medical Leave rules can be found in <u>chapters 192-500 through 192-810 WAC</u>. The laws related to the Paid Family and Medical Leave program can be found in <u>Title 50A RCW</u>. Information regarding petitions for adoption, amendment, or repeal of agency rules can be found in RCW 34.05.330.

Information regarding employer responsibilities and how to contact us for assistance can be found on the program's webpage.

This communication constitutes the post-adoption notice required by RCW 34.05.362.