

SENATE BILL REPORT

E2SHB 1073

As of March 11, 2021

Title: An act relating to expanding coverage of the paid family and medical leave program.

Brief Description: Expanding coverage of the paid family and medical leave program.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Berry, Wicks, Fitzgibbon, Bateman, Tharinger, Simmons, Kloba, Ramel, Ortiz-Self, Goodman, Ryu, Bronoske, Hackney, Chopp, Riccelli, Stonier, Frame, Macri, Davis, Pollet, Bergquist and Harris-Talley).

Brief History: Passed House: 3/3/21, 56-40.

Committee Activity: Labor, Commerce & Tribal Affairs: 3/11/21.

Brief Summary of Bill

- Provides temporary, alternate eligibility for Paid Family and Medical Leave claims through June 30, 2022.

SENATE COMMITTEE ON LABOR, COMMERCE & TRIBAL AFFAIRS

Staff: Matt Shepard-Koningsor (786-7627)

Background: The Paid Family and Medical Leave (PFML) program was enacted to provide partial wage replacement to employees on leave for specified family and medical reasons. It is funded through premiums paid by employers and employees. The Employment Security Department administers the program.

Eligibility. Employees are eligible for benefits under the PFML program after working at least 820 hours in a qualifying period. A qualifying period is the first four of the last five full calendar quarters, or the last four full calendar quarters.

Small Business Grants. Employers with 150 or fewer employees may be eligible for limited

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

grants for wage-related costs or the costs of hiring a temporary worker due to an employee's leave. The amount of each grant varies based on the reasoning and is subject to certain conditions. These grants are funded from the Family and Medical Leave Insurance Account.

Summary of Bill: Eligibility. Limited alternate eligibility is provided for claims between January 1, 2021, and June 30, 2022, for employees not meeting the existing hours worked threshold for 2020, or the first calendar quarter of 2021, through:

- two alternate qualifying periods across 2019 and the first calendar quarter of 2020; and
- one alternate qualifying period of 520 hours worked in the first quarter of 2020.

The alternate eligibility does not apply to employees who do not meet the existing hours worked threshold because of an employment separation due to misconduct or voluntary separations unrelated to the COVID-19 pandemic.

Small Business Grants. Small business grants for employee leaves taken under the alternate eligibility may not be funded from the Family and Medical Leave Insurance Account.

Appropriation: The bill contains a null and void clause requiring specific funding be provided in an omnibus appropriation act.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: This bill is narrowly designed to address the impact of COVID-19 on workers' ability to meet the hours worked requirement. Washington has one of the highest hours worked requirements in the country and COVID-19 creates additional issues. This is a gender equity bill since the bulk of workers who lost their jobs during the pandemic are women. It should be passed as soon as possible. It is estimated this bill will assist up to 42,000 families in Washington. These are workers who paid into the program but cannot access benefits. This bill will not affect the family and medical leave insurance account.

OTHER: PFML is still a fragile program, which has only been in effect for a little over a year. This bill will affect the efficiency of the family and medical leave insurance account. Small business grants were implemented a year late and wait times at ESD are extensive.

Persons Testifying: PRO: Marilyn Watkins, Economic Opportunity Institute; Maggie Humphreys, MomsRising.

OTHER: Robert Battles, Association of Washington Business.

Persons Signed In To Testify But Not Testifying: No one.