

HOUSE BILL REPORT

HB 2304

As Reported by House Committee On:
Labor & Workplace Standards
Appropriations

Title: An act relating to shared leave and industrial insurance benefits.

Brief Description: Concerning shared leave and industrial insurance benefits.

Sponsors: Representatives Doglio, Dolan, Sells and Volz.

Brief History:

Committee Activity:

Labor & Workplace Standards: 1/13/20, 1/16/20 [DP];

Appropriations: 1/27/20, 2/8/20 [DPS].

Brief Summary of Substitute Bill

- Removes the requirement that an employee pursue and be found ineligible for industrial insurance wage benefits for shared leave eligibility.
- Limits the amount of shared leave that an employee may receive when also receiving industrial insurance wage replacement benefits to twenty-five percent of base salary.

HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

Majority Report: Do pass. Signed by 6 members: Representatives Sells, Chair; Chapman, Vice Chair; Mosbrucker, Ranking Minority Member; Gregerson, Hoff and Ormsby.

Minority Report: Do not pass. Signed by 1 member: Representative Chandler, Assistant Ranking Minority Member.

Staff: Lily Smith (786-7175).

Background:

Industrial insurance provides partial wage replacement benefits to workers injured in the course of their employment, in the form of monthly temporary time-loss or permanent total

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disability benefits. The amount of benefits is based on the worker's preinjury wages and depends on the worker's marital status and number of children.

The Shared Leave Program allows state employees to provide annual leave, sick leave, or personal holidays to fellow state employees experiencing circumstances that may cause them to take leave without pay or terminate their employment. Circumstances include illness or injury of the employee or a household member, domestic violence, or a call to military service. Employees must diligently pursue and be found ineligible for industrial insurance wage replacement benefits to be eligible for shared leave.

Summary of Bill:

The requirement that an employee diligently pursue and be found ineligible for industrial insurance wage replacement benefits is removed. An employee receiving wage replacement benefits may not receive more than their base salary as a result of receiving shared leave.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill can alleviate the hardship caused by having to wait until denial of a workers' compensation claim to be eligible for shared leave. As employees can currently only get partial wage replacement under workers' compensation, it may also help some keep their health insurance. The salary cap ensures that employees will not receive more than they are normally paid, and shared leave is still subject to employer approval.

(Opposed) None.

Persons Testifying: Representative Doglio, prime sponsor; and Matt Zuvich, Washington Federation of State Employees.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 26 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chopp, Cody, Dolan, Fitzgibbon, Hansen, Hoff,

Hudgins, Kilduff, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Senn, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

Minority Report: Do not pass. Signed by 5 members: Representatives Stokesbary, Ranking Minority Member; Chandler, Dye, Kraft and Schmick.

Staff: David Pringle (786-7310).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Labor & Workplace Standards:

The Appropriations Committee substitute bill changed the limit on shared leave for employees receiving industrial insurance wage replacement benefits. The substitute limits shared leave to 25 percent of base salary, while the original bill limits shared leave so that the employee receives no more than his or her full salary from both the industrial insurance and shared leave benefit combined.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The Washington Federation of State Employees thought this was a good idea, and approached the state with this idea in bargaining but the law needs to be changed. There is an amendment being prepared that may make this idea much easier to implement, and only reduces the value of this change very slightly.

(Opposed) None.

Persons Testifying: Matt Zuvich, Washington Federation of State Employees.

Persons Signed In To Testify But Not Testifying: None.