E2SHB 1073 - S COMM AMD By Committee on Ways & Means

ADOPTED 04/07/2021

1 Strike everything after the enacting clause and insert the 2 following:

3 "NEW SECTION. Sec. 1. (1) The legislature finds that many Washington workers have suffered direct effects from the COVID-19 4 pandemic. Due to the unprecedented global shutdown in response to 5 6 COVID-19, many Washington workers who have paid into the paid family and medical leave insurance program are unable to access their 7 benefits through no fault of their own. Workers recovering from 8 COVID-19 or caring for an individual who is severely ill due to 9 COVID-19 are unable to access their benefits. 10

11 Therefore, the legislature intends to provide financial (2)12 assistance to workers who are not otherwise eligible for paid family 13 and medical leave due to COVID-19's impact on their ability to meet the hours worked threshold. The legislature intends to provide a 14 15 pandemic leave assistance employee grant to provide an equivalent 16 benefit to what the worker would otherwise be eligible to receive 17 under the paid family and medical leave insurance program. Additionally, the legislature intends to provide a pandemic leave 18 19 assistance employer grant to help offset small business employers' 20 costs related to employees on leave who are receiving a pandemic 21 leave assistance employee grant.

(3) The legislature intends to utilize federal funding from the America rescue plan act to provide financial assistance to COVID-19 impacted workers. The legislature does not intend for this worker assistance to affect the state's paid family and medical leave insurance account.

27 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 50A.15 28 RCW to read as follows:

(1) Employees who do not meet the hours worked threshold for
 eligibility under RCW 50A.15.010 or 50A.30.020(1), and are otherwise

eligible under Title 50A RCW for a claim with an effective start date in 2021 through March 31, 2022, are eligible for a pandemic leave assistance employee grant as provided under this section if they meet any of the following hours thresholds:

5 (a) Worked 820 hours in employment during the first through 6 fourth calendar quarters of 2019; or

7 (b) Worked 820 hours in employment during the second through 8 fourth calendar quarters of 2019 and first calendar quarter of 2020.

9 (2)(a) Subsection (1) of this section does not apply to an 10 employee who does not meet the hours worked threshold for eligibility 11 under RCW 50A.15.010 or 50A.30.020(1) because of an employment 12 separation due to misconduct or a voluntary separation unrelated to 13 the COVID-19 pandemic.

(b) An employee seeking eligibility under this section must attest, in a manner prescribed by the department, that their failure to meet the hours worked threshold for eligibility under RCW 50A.15.010 or 50A.30.020(1) is not due to the reasons specified in (a) of this subsection.

(3) Employees may file a claim with the department for a pandemicleave assistance employee grant beginning August 1, 2021.

21 (4) The amount of the pandemic leave assistance employee grant to 22 each eligible employee must be equal to the weekly benefit amount calculated in Title 50A RCW and any rules promulgated thereunder. In 23 calculating the weekly benefit amount for nonsalaried employees 24 25 eligible under subsection (1) of this section, the typical workweek 26 hours are the quotient derived by dividing the sum of the employee's hours reported by the sum of the number of weeks for which the 27 employer reported hours. 28

(5) An employee is not eligible for a pandemic leave assistance employee grant under this section for any week in which the employee has received, is receiving, or will receive unemployment compensation under Title 50 RCW, workers' compensation under Title 51 RCW, or any other applicable federal unemployment compensation, industrial insurance, or disability insurance laws.

35 (6) Employers with 150 or fewer employees may be eligible for a 36 pandemic leave assistance employer grant to assist with the costs of 37 an employee on leave, as provided in section 3 of this act.

(7) Grants under this section are available only until fundingprovided by the legislature solely for these purposes is exhausted.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 50A.24
 RCW to read as follows:

3 The legislature recognizes that costs associated with (1)employees on leave who have received or will receive a pandemic leave 4 assistance employee grant under section 2 of this act 5 may disproportionately impact small businesses. 6 Therefore, the legislature intends to assist small businesses with the costs of such 7 employees on leave. 8

9 (2) Employers with 150 or fewer employees and employers with 50 10 or fewer employees who are assessed all premiums under RCW 11 50A.10.030(5)(b) may apply to the department for a pandemic leave 12 assistance employer grant under this section.

(3) (a) An employer may receive a pandemic leave assistance employer grant of \$3,000 if the employer hires a temporary worker to replace an employee on leave who has received or will receive a pandemic leave assistance employee grant under section 2 of this act.

(b) For an employee on leave who has received or will receive a pandemic leave assistance employee grant under section 2 of this act, an employer may receive a grant of up to \$1,000 as reimbursement for significant wage-related costs due to the employee's leave.

21 (c) An employer may receive a grant under (a) or (b) of this 22 subsection, but not both, except that an employer who received a 23 grant under (b) of this subsection may receive a grant of the difference between the grant awarded under (b) of this subsection and 24 25 \$3,000 if the employee on leave who has received or will receive a pandemic leave assistance grant under section 2 of this act extended 26 the leave beyond the leave initially planned and the employer hired a 27 28 temporary worker for the employee on leave.

(4) An employer may apply for a pandemic leave assistanceemployer grant no more than once.

(5) To be eligible for a pandemic leave assistance employer grant under this section, the employer must provide the department written documentation showing the temporary worker hired or significant wagerelated costs incurred are due to an employee on leave who has received or will receive a pandemic leave assistance employee grant under section 2 of this act.

37 (6) The department must assess an employer with fewer than 50 38 employees who receives a pandemic leave assistance employer grant 39 under this section for all premiums for three years from the date of 40 receipt of the grant.

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1 (7) Pandemic leave assistance employer grants shall not be funded 2 from the family and medical leave insurance account.

3 (8) For the purposes of this section, the number of employees
4 must be calculated as provided in RCW 50A.10.030.

5 (9) An employer who has an approved voluntary plan is not 6 eligible to receive a pandemic leave assistance employer grant under 7 this section.

8 (10) Grants under this section are available only until funding 9 provided by the legislature solely for these purposes is exhausted.

10 <u>NEW SECTION.</u> Sec. 4. Nothing in this act shall be construed to 11 limit or interfere with the requirements, rights, and responsibilities of employers and employees under Title 50A RCW, 12 except as provided in this act. Employees and employers receiving a 13 grant under section 2 or 3 of this act must comply with all 14 15 provisions of Title 50A RCW and any rules promulgated thereunder.

16 <u>NEW SECTION.</u> Sec. 5. The employment security department may 17 adopt rules to implement this act.

18 <u>NEW SECTION.</u> Sec. 6. Sections 1 through 5 of this act expire 19 June 30, 2023.

20 <u>NEW SECTION.</u> Sec. 7. This act is necessary for the immediate 21 preservation of the public peace, health, or safety, or support of 22 the state government and its existing public institutions, and takes 23 effect immediately."

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On page 1, line 2 of the title, after "program;" strike the remainder of the title and insert "adding a new section to chapter 50A.15 RCW; adding a new section to chapter 50A.24 RCW; creating new sections; providing an expiration date; and declaring an emergency."

EFFECT: Reduces the time period in which an employee may be eligible for a pandemic leave assistance employee grant, for claims with an effective start date in 2021 through March 31, 2022 (rather

than through June 30, 2022). Removes the 520-hour alternate qualifying period. Provides that employees may file a claim for a pandemic leave assistance employee grant beginning August 1, 2021 (approximately 90 days after the act becomes effective). Provides that certain employers with 150 or fewer employees are eligible, under certain conditions, for a pandemic leave assistance employer grant to help with the costs of employees on leave who have received or will receive a pandemic leave assistance employee grant. Clarifies that pandemic leave assistance employer grants shall not be funded from the family and medical leave insurance account. Provides that employees and employers receiving grants under the act must comply with all provisions of the paid family and medical leave program. Expires the act on June 30, 2023, but contains provisions stating pandemic leave assistance employer and employee grants are available only until funding provided by the Legislature solely for the specific purposes is exhausted. Makes other technical changes. Adds an emergency clause.

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