

E2SSB 5659 - H AMD

By Representative Representative

ADOPTED 04/20/2007

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

3 "NEW SECTION. **Sec. 1.** FINDINGS AND DECLARATIONS. The legislature
4 finds that, although family leave laws have assisted individuals to
5 balance the demands of the workplace with their family
6 responsibilities, more needs to be done to achieve the goals of parent
7 and child bonding, workforce stability, and economic security. In
8 particular, the legislature finds that many individuals do not have
9 access to family leave laws, and those who do may not be in a financial
10 position to take family leave that is unpaid, and that employer-paid
11 benefits meet only a relatively small part of this need. The
12 legislature declares it to be in the public interest to establish a
13 program that: (1) Allows parents to bond with a newborn or newly
14 placed child; (2) provides limited and additional income support for a
15 reasonable period while an individual is away from work on family
16 leave; (3) reduces the impact on state income support programs by
17 increasing an individual's ability to provide caregiving services for
18 a child while maintaining an employment relationship; and (4)
19 establishes a wage replacement benefit to be coordinated with current
20 existing state and federal family leave laws.

21 NEW SECTION. **Sec. 2.** JOINT LEGISLATIVE TASK FORCE. (1)(a) The
22 joint legislative task force on family leave insurance is established,
23 with thirteen members as provided in this subsection.

24 (i) The chair and the ranking member of the senate labor, commerce,
25 research and development committee.

26 (ii) The chair and the ranking member of the house commerce and
27 labor committee.

28 (iii) The majority leader of the senate shall appoint one member
29 from each of the two largest caucuses of the senate.

1 (iv) The speaker of the house of representatives shall appoint one
2 member from each of the two largest caucuses of the house of
3 representatives.

4 (v) The majority leader of the senate and the speaker of the house
5 of representatives jointly shall appoint four nonlegislative members of
6 the task force, which shall include one member representing large
7 business, one member representing small business, one member
8 representing labor, and one member representing advocates for family
9 leave.

10 (vi) The governor shall appoint one member of the task force.

11 (b) The department of labor and industries and the employment
12 security department shall cooperate with the task force and shall each
13 maintain a liaison representative, who shall be a nonvoting member.

14 (c) The majority leader of the senate and the speaker of the house
15 of representatives jointly shall appoint the cochair of the task force
16 from among the legislative members of the task force. The cochair
17 shall convene the initial meeting of the task force. A steering
18 committee consisting of the legislative members of the task force shall
19 advise the cochair on the meetings and other activities of the task
20 force.

21 (2) The task force shall study the establishment of a family leave
22 insurance program including, but not limited to, the following:

23 (a) The manner in which the benefits and the administrative costs
24 should be financed;

25 (b) The manner in which the program should be implemented and
26 administered;

27 (c) Any government efficiencies that should be adopted to improve
28 program administration and reduce program costs; and

29 (d) The impacts, if any, of the family leave insurance program on
30 the unemployment compensation system, and options for mitigating such
31 impacts.

32 (3) Staff support for the task force must be provided by the senate
33 committee services and the house of representatives office of program
34 research. The task force may hire additional staff with specific
35 technical expertise if such expertise is necessary to carry out the
36 mandates of this study, and only if an appropriation is specifically
37 provided for this purpose.

1 (4) Legislative members of the task force must be reimbursed for
2 travel expenses in accordance with RCW 44.04.120. Nonlegislative
3 members, except those representing an employer or organization, are
4 entitled to be reimbursed for travel expenses in accordance with RCW
5 43.03.050 and 43.03.060.

6 (5) The expenses of the task force must be paid jointly by the
7 senate and the house of representatives. Task force expenditures are
8 subject to approval by the senate facilities and operations committee
9 and the house of representatives executive rules committee, or their
10 successor committees.

11 (6) The task force shall report its findings and recommendations,
12 which shall include recommendations as to the specific manner in which
13 the benefits and the administrative costs should be financed as well as
14 proposed legislation, to the legislature by January 1, 2008.

15 (7) This section expires July 1, 2009.

16 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions in this
17 section apply throughout this chapter unless the context clearly
18 requires otherwise.

19 (1) "Application year" means the twelve-month period beginning on
20 the first day of the calendar week in which an individual files an
21 application for family leave insurance benefits and, thereafter, the
22 twelve-month period beginning with the first day of the calendar week
23 in which the individual next files an application for family leave
24 insurance benefits after the expiration of the individual's last
25 preceding application year.

26 (2) "Calendar quarter" means the same as in RCW 50.04.050.

27 (3) "Child" means a biological or an adopted child.

28 (4) "Department" means the state agency to be directed to
29 administer the family leave insurance program.

30 (5) "Director" means the director of the department.

31 (6) "Employer" means: (a) The same as in RCW 50.04.080; and (b)
32 the state and its political subdivisions.

33 (7) "Employment" has the meaning provided in RCW 50.04.100.

34 (8) "Family leave" means leave: (a) Because of the birth of a
35 child of the employee and in order to care for the child; or (b)
36 because of the placement of a child with the employee for adoption.

1 (9) "Family leave insurance benefits" means the benefits payable
2 under sections 7 and 8 of this act.

3 (10) "Federal family and medical leave act" means the federal
4 family and medical leave act of 1993 (Act Feb. 5, 1993, P.L. 103-3, 107
5 Stat. 6).

6 (11) "Qualifying year" means the first four of the last five
7 completed calendar quarters or the last four completed calendar
8 quarters immediately preceding the first day of the individual's
9 application year.

10 (12) "Regularly working" means the average number of hours per
11 workweek that an individual worked in the two quarters of the
12 individual's qualifying year in which total wages were highest.

13 NEW SECTION. **Sec. 4.** FAMILY LEAVE INSURANCE PROGRAM. (1) The
14 department shall establish and administer a family leave insurance
15 program and pay family leave insurance benefits as specified in this
16 chapter.

17 (2) The department shall establish procedures and forms for filing
18 claims for benefits under this chapter. The department shall notify
19 the employer within five business days of a claim being filed under
20 section 5 of this act.

21 (3) The department shall use information sharing and integration
22 technology to facilitate the disclosure of relevant information or
23 records by the employment security department, so long as an individual
24 consents to the disclosure as required under section 5(4) of this act.

25 (4) Information contained in the files and records pertaining to an
26 individual under this chapter are confidential and not open to public
27 inspection, other than to public employees in the performance of their
28 official duties. However, the individual or an authorized
29 representative of an individual may review the records or receive
30 specific information from the records on the presentation of the signed
31 authorization of the individual. An employer or the employer's duly
32 authorized representative may review the records of an individual
33 employed by the employer in connection with a pending claim. At the
34 department's discretion, other persons may review records when such
35 persons are rendering assistance to the department at any stage of the
36 proceedings on any matter pertaining to the administration of this
37 chapter.

1 (5) The department shall develop and implement an outreach program
2 to ensure that individuals who may be eligible to receive family leave
3 insurance benefits under this chapter are made aware of these benefits.
4 Outreach information shall explain, in an easy to understand format,
5 eligibility requirements, the claims process, weekly benefit amounts,
6 maximum benefits payable, notice requirements, reinstatement and
7 nondiscrimination rights, confidentiality, and coordination of leave
8 under this chapter and other laws, collective bargaining agreements,
9 and employer policies. Outreach information shall be available in
10 English and other primary languages as defined in RCW 74.04.025.

11 NEW SECTION. **Sec. 5.** ELIGIBILITY FOR BENEFITS. Beginning October
12 1, 2009, family leave insurance benefits are payable to an individual
13 during a period in which the individual is unable to perform his or her
14 regular or customary work because he or she is on family leave if the
15 individual:

16 (1) Files a claim for benefits in each week in which the individual
17 is on family leave, and as required by rules adopted by the director;

18 (2) Has been employed for at least six hundred eighty hours in
19 employment during the individual's qualifying year;

20 (3) Establishes an application year. An application year may not
21 be established if the qualifying year includes hours worked before
22 establishment of a previous application year;

23 (4) Consents to the disclosure of information or records deemed
24 private and confidential under chapter 50.13 RCW. Initial disclosure
25 of this information and these records by the employment security
26 department to the department is solely for purposes related to the
27 administration of this chapter. Further disclosure of this information
28 or these records is subject to section 4(3) of this act;

29 (5) Discloses whether or not he or she owes child support
30 obligations as defined in RCW 50.40.050; and

31 (6) Documents that he or she has provided the employer from whom
32 family leave is to be taken with written notice of the individual's
33 intention to take family leave in the same manner as an employee is
34 required to provide notice in RCW 49.78.250.

35 NEW SECTION. **Sec. 6.** DISQUALIFICATION FROM BENEFITS. An
36 individual is disqualified from family leave insurance benefits

1 beginning with the first day of the calendar week, and continuing for
2 the next fifty-two consecutive weeks, in which the individual willfully
3 made a false statement or misrepresentation regarding a material fact,
4 or willfully failed to report a material fact, to obtain benefits under
5 this chapter.

6 NEW SECTION. **Sec. 7.** DURATION OF BENEFITS. (1) The maximum
7 number of weeks during which family leave insurance benefits are
8 payable in an application year is five weeks. However, benefits are
9 not payable during a waiting period consisting of the first seven
10 calendar days of family leave taken in an application year, whether the
11 first seven calendar days of family leave are employer paid or unpaid.

12 (2)(a) The first payment of benefits must be made to an individual
13 within two weeks after the claim is filed or the family leave began,
14 whichever is later, and subsequent payments must be made semimonthly
15 thereafter.

16 (b) The payment of benefits under this chapter shall not be
17 considered a binding determination of the obligations of the department
18 under this chapter. The acceptance of compensation by the individual
19 shall likewise not be considered a binding determination of his or her
20 rights under this chapter. Whenever any payment of benefits under this
21 chapter has been made and timely appeal therefrom has been made where
22 the final decision is that the payment was improper, the individual
23 shall repay it and recoupment may be made from any future payment due
24 to the individual on any claim under this chapter. The director may
25 exercise his or her discretion to waive, in whole or in part, the
26 amount of any such payments where the recovery would be against equity
27 and good conscience.

28 (c) If an individual dies before he or she receives a payment of
29 benefits, the payment shall be made by the department and distributed
30 consistent with the terms of the decedent's will or, if the decedent
31 dies intestate, consistent with the terms of RCW 11.04.015.

32 NEW SECTION. **Sec. 8.** AMOUNT OF BENEFITS. The amount of family
33 leave insurance benefits shall be determined as follows:

34 (1) The weekly benefit shall be two hundred fifty dollars per week
35 for an individual who at the time of beginning family leave was
36 regularly working thirty-five hours or more per week.

1 (2) If an individual who at the time of beginning family leave was
2 regularly working thirty-five hours or more per week is on family leave
3 for less than thirty-five hours but at least eight hours in a week, the
4 individual's weekly benefit shall be .025 times the maximum weekly
5 benefit times the number of hours of family leave taken in the week.
6 Benefits are not payable for less than eight hours of family leave
7 taken in a week.

8 (3) For an individual who at the time of beginning family leave was
9 regularly working less than thirty-five hours per week, the department
10 shall calculate a prorated schedule for a weekly benefit amount and a
11 minimum number of hours of family leave that must be taken in a week
12 for benefits to be payable, with the prorated schedule based on the
13 amounts and the calculations specified under subsections (1) and (2) of
14 this section.

15 (4) If an individual discloses that he or she owes child support
16 obligations under section 5 of this act and the department determines
17 that the individual is eligible for benefits, the department shall
18 notify the applicable state or local child support enforcement agency
19 and deduct and withhold an amount from benefits in a manner consistent
20 with RCW 50.40.050.

21 (5) If the internal revenue service determines that family leave
22 insurance benefits under this chapter are subject to federal income tax
23 and an individual elects to have federal income tax deducted and
24 withheld from benefits, the department shall deduct and withhold the
25 amount specified in the federal internal revenue code in a manner
26 consistent with section 9 of this act.

27 NEW SECTION. **Sec. 9.** FEDERAL INCOME TAX. (1) If the internal
28 revenue service determines that family leave insurance benefits under
29 this chapter are subject to federal income tax, the department must
30 advise an individual filing a new claim for family leave insurance
31 benefits, at the time of filing such claim, that:

32 (a) The internal revenue service has determined that benefits are
33 subject to federal income tax;

34 (b) Requirements exist pertaining to estimated tax payments;

35 (c) The individual may elect to have federal income tax deducted
36 and withheld from the individual's payment of benefits at the amount
37 specified in the federal internal revenue code; and

1 (d) The individual is permitted to change a previously elected
2 withholding status.

3 (2) Amounts deducted and withheld from benefits must remain in the
4 family leave insurance account until transferred to the federal taxing
5 authority as a payment of income tax.

6 (3) The director shall follow all procedures specified by the
7 federal internal revenue service pertaining to the deducting and
8 withholding of income tax.

9 NEW SECTION. **Sec. 10.** ADJUSTMENT TO BENEFITS. If family leave
10 insurance benefits are paid erroneously or as a result of willful
11 misrepresentation, or if a claim for family leave benefits is rejected
12 after benefits are paid, RCW 51.32.240 shall apply, except that appeals
13 are governed by section 14 of this act, penalties are paid into the
14 family leave insurance account, and the department shall seek repayment
15 of benefits from the recipient.

16 NEW SECTION. **Sec. 11.** LEAVE AND EMPLOYMENT PROTECTION. (1)
17 During a period in which an individual receives family leave insurance
18 benefits or earns waiting period credits under this chapter, the
19 individual is entitled to family leave and, at the established ending
20 date of leave, to be restored to a position of employment with the
21 employer from whom leave was taken.

22 (2) The individual entitled to leave under this section shall be
23 restored to a position of employment in the same manner as an employee
24 entitled to leave under chapter 49.78 RCW is restored to a position of
25 employment, as specified in RCW 49.78.280.

26 (3) This section applies only to an individual if:

27 (a) The employer from whom the individual takes family leave
28 employs more than twenty-five employees; and

29 (b) The individual has been employed for at least twelve months by
30 that employer, and for at least one thousand two hundred fifty hours of
31 service with that employer during the previous twelve-month period.

32 (4) This section shall be enforced as provided in chapter 49.78
33 RCW.

34 NEW SECTION. **Sec. 12.** EMPLOYMENT BY SAME EMPLOYER. If spouses or
35 people involved in a legal relationship established under chapter 26.--

1 RCW (sections 1, 2, and 4 through 8, chapter . . . (Substitute Senate
2 Bill No. 5336), Laws of 2007) who are entitled to leave under this
3 chapter are employed by the same employer, the employer may require
4 that spouses or people involved in such a relationship governed by
5 Title 26 RCW not take such leave concurrently.

6 NEW SECTION. **Sec. 13.** ELECTIVE COVERAGE. (1) An employer of
7 individuals not covered by this chapter or a self-employed person,
8 including a sole proprietor, partner, or joint venturer, may elect
9 coverage under this chapter for all individuals in its employ for an
10 initial period of not less than three years or a subsequent period of
11 not less than one year immediately following another period of
12 coverage. The employer or self-employed person must file a notice of
13 election in writing with the director, as required by the department.
14 The election becomes effective on the date of filing the notice.

15 (2) An employer or self-employed person who has elected coverage
16 may withdraw from coverage within thirty days after the end of the
17 three-year period of coverage, or at such other times as the director
18 may prescribe by rule, by filing written notice with the director, such
19 withdrawal to take effect not sooner than thirty days after filing the
20 notice. Within five days of filing written notice of the withdrawal
21 with the director, an employer must provide written notice of the
22 withdrawal to all individuals in the employer's employ.

23 NEW SECTION. **Sec. 14.** APPEALS. (1) A person aggrieved by a
24 decision of the department under this chapter must file a notice of
25 appeal with the director, by mail or personally, within thirty days
26 after the date on which a copy of the department's decision was
27 communicated to the person. Upon receipt of the notice of appeal, the
28 director shall request the assignment of an administrative law judge in
29 accordance with chapter 34.05 RCW to conduct a hearing and issue a
30 proposed decision and order. The hearing shall be conducted in
31 accordance with chapter 34.05 RCW.

32 (2) The administrative law judge's proposed decision and order
33 shall be final and not subject to further appeal unless, within thirty
34 days after the decision is communicated to the interested parties, a
35 party petitions for review by the director. If the director's review
36 is timely requested, the director may order additional evidence by the

1 administrative law judge. On the basis of the evidence before the
2 administrative law judge and such additional evidence as the director
3 may order to be taken, the director shall render a decision affirming,
4 modifying, or setting aside the administrative law judge's decision.
5 The director's decision becomes final and not subject to further appeal
6 unless, within thirty days after the decision is communicated to the
7 interested parties, a party files a petition for judicial review as
8 provided in chapter 34.05 RCW. The director is a party to any judicial
9 action involving the director's decision and shall be represented in
10 the action by the attorney general.

11 (3) If, upon administrative or judicial review, the final decision
12 of the department is reversed or modified, the administrative law judge
13 or the court in its discretion may award reasonable attorneys' fees and
14 costs to the prevailing party. Attorneys' fees and costs owed by the
15 department, if any, are payable from the family leave insurance
16 account.

17 NEW SECTION. **Sec. 15.** PROHIBITED ACTS. An employer, temporary
18 help company, employment agency, employee organization, or other person
19 may not discharge, expel, or otherwise discriminate against a person
20 because he or she has filed or communicated to the employer an intent
21 to file a claim, a complaint, or an appeal, or has testified or is
22 about to testify or has assisted in any proceeding, under this chapter,
23 at any time, including during the waiting period described in section
24 7 of this act and the period in which the person receives family leave
25 insurance benefits under this chapter. This section shall be enforced
26 as provided in RCW 51.48.025.

27 NEW SECTION. **Sec. 16.** COORDINATION OF LEAVE. (1)(a) Leave taken
28 under this act must be taken concurrently with any leave taken under
29 the federal family and medical leave act of 1993 (Act Feb. 5, 1993,
30 P.L. 103-3, 107 Stat. 6) or under chapter 49.78 RCW.

31 (b) An employer may require that leave taken under this act be
32 taken concurrently or otherwise coordinated with leave allowed under
33 the terms of a collective bargaining agreement or employer policy, as
34 applicable, for the birth or placement of a child. The employer must
35 give individuals in its employ written notice of this requirement.

1 (2)(a) This act does not diminish an employer's obligation to
2 comply with a collective bargaining agreement or employer policy, as
3 applicable, that provides greater leave for the birth or placement of
4 a child.

5 (b) An individual's right to leave under this act may not be
6 diminished by a collective bargaining agreement entered into or renewed
7 or an employer policy adopted or retained after the effective date of
8 this section. Any agreement by an individual to waive his or her
9 rights under this act is void as against public policy.

10 NEW SECTION. **Sec. 17.** NO CONTINUING ENTITLEMENT OR CONTRACTUAL
11 RIGHT. This chapter does not create a continuing entitlement or
12 contractual right. The legislature reserves the right to amend or
13 repeal all or part of this chapter at any time, and a benefit or other
14 right granted under this chapter exists subject to the legislature's
15 power to amend or repeal this chapter. There is no vested private
16 right of any kind against such amendment or repeal.

17 NEW SECTION. **Sec. 18.** RULES. The director may adopt rules as
18 necessary to implement this chapter. In adopting rules, the director
19 shall maintain consistency with the rules adopted to implement the
20 federal family and medical leave act, and chapter 49.78 RCW, to the
21 extent such rules are not in conflict with this chapter.

22 NEW SECTION. **Sec. 19.** ACCOUNT. The family leave insurance
23 account is created in the custody of the state treasurer. Expenditures
24 from the account may be used only for the purposes of the family leave
25 insurance program. Only the director of the department of labor and
26 industries or the director's designee may authorize expenditures from
27 the account. The account is subject to the allotment procedures under
28 chapter 43.88 RCW. An appropriation is required for administrative
29 expenses, but not for benefit payments.

30 NEW SECTION. **Sec. 20.** INVESTMENT OF FAMILY LEAVE INSURANCE
31 ACCOUNT. Whenever, in the judgment of the state investment board,
32 there shall be in the family leave insurance account funds in excess of
33 that amount deemed by the state investment board to be sufficient to
34 meet the current expenditures properly payable therefrom, the state

1 investment board shall have full power to invest, reinvest, manage,
2 contract, or sell or exchange investments acquired with such excess
3 funds in the manner prescribed by RCW 43.84.150, and not otherwise.

4 **Sec. 21.** RCW 43.79A.040 and 2006 c 311 s 21 and 2006 c 120 s 2 are
5 each reenacted and amended to read as follows:

6 (1) Money in the treasurer's trust fund may be deposited, invested,
7 and reinvested by the state treasurer in accordance with RCW 43.84.080
8 in the same manner and to the same extent as if the money were in the
9 state treasury.

10 (2) All income received from investment of the treasurer's trust
11 fund shall be set aside in an account in the treasury trust fund to be
12 known as the investment income account.

13 (3) The investment income account may be utilized for the payment
14 of purchased banking services on behalf of treasurer's trust funds
15 including, but not limited to, depository, safekeeping, and
16 disbursement functions for the state treasurer or affected state
17 agencies. The investment income account is subject in all respects to
18 chapter 43.88 RCW, but no appropriation is required for payments to
19 financial institutions. Payments shall occur prior to distribution of
20 earnings set forth in subsection (4) of this section.

21 (4)(a) Monthly, the state treasurer shall distribute the earnings
22 credited to the investment income account to the state general fund
23 except under (b) and (c) of this subsection.

24 (b) The following accounts and funds shall receive their
25 proportionate share of earnings based upon each account's or fund's
26 average daily balance for the period: The Washington promise
27 scholarship account, the college savings program account, the
28 Washington advanced college tuition payment program account, the
29 agricultural local fund, the American Indian scholarship endowment
30 fund, the foster care scholarship endowment fund, the foster care
31 endowed scholarship trust fund, the students with dependents grant
32 account, the basic health plan self-insurance reserve account, the
33 contract harvesting revolving account, the Washington state combined
34 fund drive account, the commemorative works account, the Washington
35 international exchange scholarship endowment fund, the developmental
36 disabilities endowment trust fund, the energy account, the fair fund,
37 the family leave insurance account, the fruit and vegetable inspection

1 account, the future teachers conditional scholarship account, the game
2 farm alternative account, the grain inspection revolving fund, the
3 juvenile accountability incentive account, the law enforcement
4 officers' and firefighters' plan 2 expense fund, the local tourism
5 promotion account, the produce railcar pool account, the regional
6 transportation investment district account, the rural rehabilitation
7 account, the stadium and exhibition center account, the youth athletic
8 facility account, the self-insurance revolving fund, the sulfur dioxide
9 abatement account, the children's trust fund, the Washington horse
10 racing commission Washington bred owners' bonus fund account, the
11 Washington horse racing commission class C purse fund account, the
12 individual development account program account, the Washington horse
13 racing commission operating account (earnings from the Washington horse
14 racing commission operating account must be credited to the Washington
15 horse racing commission class C purse fund account), the life sciences
16 discovery fund, and the reading achievement account. However, the
17 earnings to be distributed shall first be reduced by the allocation to
18 the state treasurer's service fund pursuant to RCW 43.08.190.

19 (c) The following accounts and funds shall receive eighty percent
20 of their proportionate share of earnings based upon each account's or
21 fund's average daily balance for the period: The advanced right of way
22 revolving fund, the advanced environmental mitigation revolving
23 account, the city and county advance right-of-way revolving fund, the
24 federal narcotics asset forfeitures account, the high occupancy vehicle
25 account, the local rail service assistance account, and the
26 miscellaneous transportation programs account.

27 (5) In conformance with Article II, section 37 of the state
28 Constitution, no trust accounts or funds shall be allocated earnings
29 without the specific affirmative directive of this section.

30 NEW SECTION. **Sec. 22.** LOANS. If necessary to ensure that money
31 is available in the family leave insurance account for the initial
32 administration of the family leave insurance program, the director of
33 labor and industries may, from time to time before July 1, 2009, lend
34 funds from the supplemental pension fund to the family leave insurance
35 account. These loaned funds may be expended solely for the initial
36 administration of the program under this chapter. The director of
37 labor and industries shall repay the supplemental pension fund, plus

1 its proportionate share of earnings from investment of moneys in the
2 supplemental pension fund during the loan period, from the family leave
3 insurance account within two years of the date of the loan. This
4 section expires October 1, 2011.

5 **Sec. 23.** RCW 51.44.033 and 1975 1st ex.s. c 224 s 16 are each
6 amended to read as follows:

7 There shall be, in the office of the state treasurer, a fund to be
8 known and designated as the "supplemental pension fund". The director
9 shall be the administrator thereof. (~~Said~~) The fund shall be used
10 for the sole purposes of making the additional payments therefrom
11 prescribed in this title and the loans therefrom authorized in section
12 22 of this act.

13 NEW SECTION. **Sec. 24.** AUTHORITY TO CONTRACT. (1) The department
14 of labor and industries may contract or enter into interagency
15 agreements with other state agencies for the initial administration of
16 the family leave insurance program.

17 (2) This section expires October 1, 2011.

18 NEW SECTION. **Sec. 25.** APPROPRIATION. The sum of eighteen million
19 dollars, or as much thereof as may be necessary, is appropriated for
20 the biennium ending June 30, 2009, from the family leave insurance
21 account to the department of labor and industries for the initial
22 administration of the family leave insurance program.

23 NEW SECTION. **Sec. 26.** REPORTS TO THE LEGISLATURE. Beginning
24 September 1, 2010, the department shall report to the legislature by
25 September 1st of each year on projected and actual program
26 participation, premium rates, fund balances, and outreach efforts.

27 NEW SECTION. **Sec. 27.** SEVERABILITY. If any provision of this act
28 or its application to any person or circumstance is held invalid, the
29 remainder of the act or the application of the provision to other
30 persons or circumstances is not affected.

31 NEW SECTION. **Sec. 28.** CAPTIONS. Captions used in this act are
32 not any part of the law.

1 NEW SECTION. **Sec. 29.** CODIFICATION. Sections 1, 3 through 20,
2 and 26 through 28 of this act constitute a new chapter in Title 49 RCW.

3 NEW SECTION. **Sec. 30.** EFFECTIVE DATES. (1) Sections 3 through 18
4 and 26 of this act take effect July 1, 2008.

5 (2) Sections 2 and 19 through 25 of this act are necessary for the
6 immediate preservation of the public peace, health, or safety, or
7 support of the state government and its existing public institutions,
8 and take effect immediately."

9 Correct the title.

EFFECT: Task Force

Creates a thirteen-member joint legislative task force on family leave insurance.

Specifies that the task force consists of the following: Four legislative members that are the chairs and the ranking members of the Senate Labor, Commerce, Research and Development Committee and the House Commerce and Labor Committee; four legislative members that are one member of each of the largest caucuses in the Senate, appointed by the majority leader of the Senate, and one member of each of the largest caucuses in the House of Representatives, appointed by the speaker of the House of Representatives; four nonlegislative members that are one large business representative, one small business representative, one labor representative, and one representative of advocates for family leave; and one gubernatorial appointee.

Requires the task force to study the following: Financing for benefits and administrative costs; program implementation and administration; government efficiencies that improve program administration and reduce program costs; and program impacts, if any, the unemployment compensation system, and options for mitigating such impacts.

Requires the task force to report its findings and recommendations, including recommendations as to the specific manner in which the benefits and the administrative costs should be financed as well as proposed legislation, to the Legislature by January 1, 2008. Makes the provision creating the task force expire July 1, 2009.

Declares an emergency and makes the section relating to the task force take effect immediately.

Family Leave Insurance

Narrows the purpose of leave to leave for the birth or adoption of a child, and not for the serious health condition of a family member or the placement of a foster child. Deletes references throughout to the bill to noncovered purposes.

Does not specify the state agency responsible for administering the family leave insurance program.

Does not establish premiums to finance family leave insurance benefits. Deletes references to premiums and related recordkeeping and reporting requirements throughout the bill.

Does not provide for indexing of the weekly benefit amount.

Specifies that leave under the bill must be taken concurrently with leave taken under the federal Family and Medical Leave Act or the state Family Leave Law. Permits employers to require that leave under the bill be taken concurrently or otherwise coordinated with leave allowed under collective bargaining agreements or employer policies.

Specifies that funds in the Family Leave Insurance Account loaned from the Supplemental Pension Fund may be expended solely for the initial administration of the family leave insurance program.

Authorizes the Department of Labor and Industries to contract or enter into interagency agreements for the initial administration of the family leave insurance program.

Appropriates up to \$18 million from the Family Leave Insurance Account to the Department of Labor and Industries for the initial administration of the family leave insurance program.

Does not allow a \$1200 per replacement worker business and occupation tax credit for employers employing fifty or fewer persons.

Declares an emergency, and makes sections relating to the initial administration of the family leave insurance program take effect immediately.

Makes sections relating to payment of benefits take effect July 1, 2008.

--- END ---