Effective Date of Rule: Thirty-one days after filing.

Purpose: The adopted rules implement several changes to Title 192 WAC and include: Technical changes to ensure the rules are consistent with Title 50A RCW and other paid leave rules under Title 192 WAC; technical and grammatical changes for clarification; adding a definition of "illegal act" for the purposes of benefit disqualification under RCW 50A.15.060; clarifying employment restoration requirements for successor and predecessor employers to align with federal requirements; clarifying what hours are considered "worked" for the purposes of employment restoration to align with federal requirements; clarifying requirements for small business assistance grants; adding language for withdrawal of an appeal when a redetermination has been made in the appellant's favor; and adding a requirement that hearings be closed to the public unless an open hearing is agreed upon by all parties.

Citation of Rules Affected by this Order:
New WAC 192-610-090 What is an "illegal act" for the purposes of benefit disqualification?, 192-700-006 What hours are considered "worked" for the purposes of employment restoration?, 192-700-007 Employment restoration requirements for predecessor and successor employers and 192-800-155 What information from a proceeding before the appeal tribunal or commissioner is publicly disclosable?; and amending WAC 192-510-050 How will the department assess the size of new employers?, 192-560-010 Which businesses are eligible for small business assistance grants?, 192-620-020 What information will the department request from an employee when filing for weekly benefits?, 192-620-035 When will a weekly benefit amount be prorated?, and 192-800-045 Can an appeal be withdrawn?

Statutory Authority for Adoption: RCW 50A.05.060, 50A.25.030.

A final cost-benefit analysis is available by contacting April Amundson, Employment Security Department, P.O. Box 9046, Olympia, WA 98507-9046, phone 360-485-2816, TTY Washington relay 711 (contact Teresa Eckstein at 360-507-9890 for accommodations), email rules@esd.wa.gov, website https://paidleave.wa.gov/rulemaking/.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 4, Amended 5, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 4, Amended 5, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: May 7, 2021.

April Amundson
Policy and Rules Manager
Leave and Care Division
AMENDATORY SECTION (Amending WSR 20-01-087, filed 12/12/19, effective 1/12/20)

WAC 192-510-050 How will the department assess the size of new employers? An employer that has not been in business in Washington long enough to report four calendar quarters by September 30th will have its size calculated after the second quarter of reporting is due by averaging the number of employees reported over the quarters for which reporting exists. Premium assessment based on this determination will begin on this reporting date. This size determination remains in effect (until) for the following (September 30th pursuant to) calendar year under RCW 50A.10.030 ((((8)(c)))).

[Statutory Authority: RCW 50A.05.60 [50A.05.060] and 50A.25.030. WSR 20-01-087, § 192-510-050, filed 12/12/19, effective 1/12/20. Statutory Authority: RCW 50A.04.215. WSR 18-12-032, § 192-510-050, filed 5/29/18, effective 6/29/18.]

AMENDATORY SECTION (Amending WSR 19-23-090, filed 11/19/19, effective 12/20/19)

WAC 192-560-010 Which businesses are eligible for small business assistance grants? (1) An employer((s)) determined to have one hundred fifty or fewer employees in the state that (are) is assessed the employer share of the premiums ((are)) is eligible to apply for small business assistance grants.

(2) An employer((s)) determined to have fewer than fifty employees ((are)) is only eligible for a small business assistance grant if ((those)) the employer((s)) opts to pay the employer share of the premiums. ((Such))

(a) The employer((s)) will be assessed the employer share of the premiums for a minimum of ((three years)) twelve consecutive calendar quarters beginning with the first calendar quarter after ((any)) the most recent grant is ((received)) approved. ((An))

(b) The employer may provide notice ((for opting out after the three year period)) at any time after the approval of the grant to opt out of paying the employer share of the premiums.

(i) If the twelfth consecutive quarter following approval of the grant has ended, the opt-out will become effective on the first day of the following quarter.

(ii) If the twelfth consecutive quarter following approval of the grant has not ended, the opt-out will become effective on the first day of the thirteenth quarter following approval of the grant.

(3) An employer is not eligible for a small business assistance grant if, at the time of application, the employer has outstanding and delinquent reports, outstanding and delinquent payments, or due and owing penalties or interest under Title 50A RCW.
An employer may request only one grant per year for each employee who takes paid family or medical leave under this title. Submissions under (a) and (b) of this subsection do not qualify as grant applications and therefore do not count against the employer's limit of ten applications per year.

(a) An employer that qualifies for a grant under RCW 50A.24.010 ((3)(b))) for an amount that is less than one thousand dollars may submit documentation of significant additional wage-related costs incurred after filing the initial grant application in an attempt to qualify for additional grant funds.

(b) An employer may submit a revised application for a grant under RCW 50A.24.010 ((3)(c))) in an attempt to qualify for additional grant funds.

(5) An employer must apply for any grant no later than four months following the last day of the employee's paid family or medical leave.

[Statutory Authority: RCW 50A.04.215. WSR 19-23-090, § 192-560-010, filed 11/19/19, effective 12/20/19; WSR 18-22-080, § 192-560-010, filed 11/2/18, effective 12/3/18.]

NEW SECTION

WAC 192-610-090 What is an illegal act for the purposes of benefit disqualification? (1) Under RCW 50A.15.060, an employee is not entitled to paid family or medical leave benefits for any absence resulting from any injury or illness sustained in the perpetration by the employee of an illegal act.

(2) For purposes of benefit disqualification the following definitions apply:

(a) An "illegal act" is any unlawful action punishable as a felony or gross misdemeanor of which the individual has been convicted or has admitted committing to a competent authority.

(b) A "competent authority" is:

(i) A court (including magistrate or court commissioner), prosecuting attorney, or law enforcement agency; or

(ii) An administrative law judge; or

(iii) A regulatory agency or professional association charged by law with maintaining professional standards or codes of conduct; or

(iv) Any other person or body, other than your employer, with authority to administer disciplinary action against you.

(3) An admission to your employer or to an employee of the department that you have committed a criminal act is not considered an admission to a competent authority for the purposes of RCW 50A.15.060.

[Statutory Authority: RCW 50A.04.215. WSR 19-23-090, § 192-560-010, filed 11/19/19, effective 12/20/19; WSR 18-22-080, § 192-560-010, filed 11/2/18, effective 12/3/18.]
AMENDATORY SECTION (Amending WSR 19-13-001, filed 6/5/19, effective 7/6/19)

WAC 192-620-020 What information will the department request from an employee((s)) when filing for weekly benefits? (1) The department must determine if an employee qualifies for benefits when the employee files a weekly claim for the payment of benefits. For the week that the employee is claiming, the department will ask if the employee:

(a) Worked for wages during the week, and for the hours associated with that work;

(b) Received any paid leave such as vacation leave, sick leave, or other paid time off that was not considered a supplemental benefit payment provided by the employer, and the hours associated with that leave;

(c) Received any benefit that may disqualify the employee for paid family or medical leave, such as unemployment insurance; and

(d) Experienced a change in the qualifying event that affects the eligibility for, or duration of, paid family or medical leave benefits.

(2) The employee may be asked to provide additional information.

[Statutory Authority: RCW 50A.04.215. WSR 19-13-001, § 192-620-020, filed 6/5/19, effective 7/6/19.]

AMENDATORY SECTION (Amending WSR 20-20-073, filed 10/2/20, effective 11/2/20)

WAC 192-620-035 When will a weekly benefit amount be prorated? (1) For an employee on paid family or medical leave, a weekly benefit amount is prorated when:

(a) The employee reports hours worked for wages;

(b) The employee reports hours for paid sick leave, paid vacation leave, or other paid time off that is not considered a supplemental benefit payment as defined in WAC 192-500-180; or

(c) The employee files a weekly application for benefits that contains a day or days for which the employee did not claim paid family or medical leave.

(2) If an employee reports hours under subsection (1)(a) or (b) of this section, proration will be calculated as specified by RCW 50A.15.020(2).

(3) If an employee claims part of a week under subsection (1)(c) of this section, proration will be calculated by dividing the employee's typical workweek hours and weekly benefit amount for that week by sevenths, then multiplying by the number of days for which the employee claimed paid family or medical leave for that week. The remainder of the week will be calculated as specified by RCW 50A.15.020(2) and subsection (1)(a) and (b) of this section.

Example 1: An employee has already served a waiting period in the claim year and files a claim for a week of paid medical leave. The employee typically works forty hours a week at eight hours per day. In the week for which the employee is claiming, the employee claimed one day of paid medical leave and worked the other four days. This employee's weekly benefit is usually eight hundred dollars. The weekly benefit would then be prorated by the hours on paid medical leave (eight
hours) relative to the typical workweek hours (forty hours). Eight
hours is twenty percent of forty hours. The employee's weekly benefit
would be prorated to twenty percent for a total of one hundred sixty
dollars.

**Example 2:** An employee files a claim for eight hours of paid fam-
ily or medical leave and takes sick leave from the employer
for the same day. The employer does not offer the sick leave as a sup-
plemental benefit payment. The sick leave is considered hours worked
by the employee. The employee is being paid for the same hours claimed
on paid family or medical leave. This employee is not eligible
for benefits for this week.

**Example 3:** The employee's typical workweek hours are forty hours
per week, and the weekly benefit amount is one thousand dollars. The
employee files a claim for leave that starts on a Tuesday. Because the
employee's claim did not include Sunday or Monday of that week, the
employee's typical workweek hours and weekly benefit amount for that
week will be prorated by two-sevenths, or two days of the seven days
in the week. For that week only, the employee's typical workweek hours
will be twenty-eight (five-sevenths of forty, rounded down to the
nearest hour) and the weekly benefit amount will be seven hundred
fourteen dollars (five-sevenths of one thousand dollars, rounded down
to the nearest dollar).

[Statutory Authority: RCW 50A.05.060. WSR 20-20-073, § 192-620-035,
WSR 19-23-090, § 192-620-035, filed 11/19/19, effective 12/20/19.]

**OTS-2782.3**

**NEW SECTION**

**WAC 192-700-006 What hours are considered worked for the purpo-
ses of an employee's eligibility for employment restoration?** For the
purposes of employment restoration under Title 50A RCW, the number of
hours worked is determined in accordance with 29 C.F.R. Sec.
825.110(c) and any subsequent amendments to that regulation.

[]

**NEW SECTION**

**WAC 192-700-007 Employment restoration requirements for prede-
cessor and successor employers.** For the purposes of employment resto-
ration under Title 50A RCW, hours worked for a predecessor employer
will be considered worked for the successor employer as described in
29 C.F.R. Sec. 825.107 and any subsequent amendments to that regula-
tion.

**Example:** An employee works at a florist called ABC Flower Shop.
The business is sold to another entity and is renamed XYZ Flower Shop.
The new owner applies for a new universal business identifier and is
considered a new employer. The employee is retained and continues to
work in a similar job function for the new employer. According to 29 C.F.R. Sec. 825.107 of the federal Family and Medical Leave Act, XYZ Flower Shop is considered a "successor in interest" of ABC Flower Shop. As such, the hours worked by the employee for ABC Flower Shop should be included when considering whether or not employment restoration rights apply to a period of leave taken from XYZ Flower Shop.

OTS-2783.2

AMENDATORY SECTION (Amending WSR 20-20-073, filed 10/2/20, effective 11/2/20)

WAC 192-800-045 ((When)) Can an appeal be withdrawn? (1) An aggrieved party may withdraw their appeal or petition for review upon approval by the office of administrative hearings or the commissioner's review office, respectively, at any time prior to the decision. When an appeal or petition for review is withdrawn, the determination, redetermination, order and notice of assessment of premiums or penalties, or other decision that was appealed, is final in accordance with the provisions of Title 50A RCW.

(2) If an appeal is filed and a determination or redetermination of the decision has been made in the aggrieved party's favor, the appeal will be considered withdrawn unless the aggrieved party contests the withdrawal of the appeal in writing within thirty days of the date of redetermination.

[Statutory Authority: RCW 50A.05.060. WSR 20-20-073, § 192-800-045, filed 10/2/20, effective 11/2/20. Statutory Authority: RCW 50A.04.215. WSR 19-23-090, § 192-800-045, filed 11/19/19, effective 12/20/19.]

NEW SECTION

WAC 192-800-155 When are proceedings open to the public, and what information from a proceeding before the appeal tribunal or commissioner is publicly disclosable? To maintain confidentiality of records under chapter 50A.25 RCW:

(1) All proceedings will be closed to the public unless otherwise agreed upon by all parties appearing for hearing;

(2) All proceeding records will be sealed for hearings closed to the public and are not publicly disclosable; and

(3) All personal identifying information concerning an individual or employer will be redacted from the record if the hearing is open to the public.