

Anne Presson

Subject: FW: Paid Family & Medical Leave - ACTION REQUIRED
Attachments: Summary PFML Information for Employers.pdf

For employers with fewer than 50 employees, the employer is not required to contribute. The employee is still liable for 63% of the total assessment, or .252% of wages. (The reason employees are assessed is because the employees are the ones who will benefit.) The employer may elect to pay the 37%, but it is not required. The employer may also elect to pay the employee's contribution, rather than deducting it from employee pay.

Note: Based on a salary of \$40,000 the annual cost for Plan E shared is: \$100.80 Employee paid (63%) and \$59.20 Employer paid (37%) for a total of \$160 (40,000 x .4%).

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In 2017, the State Legislature adopted into law the Paid Family & Medical Leave (PFML) Program. Paid Family and Medical Leave is a shared benefit that will give every Washingtonian support when they can't be at work. It means people will not have to choose between their job, their health and their family. This insurance program will allow workers to take up to 12 weeks, as needed, when they welcome a new child into their family, are struck by a serious illness or injury, need to take care of an ill or ailing relative, or for certain military-connected events. If workers experience multiple events in a given year, they may be eligible to receive up to 16 weeks, or up to 18 weeks if the employee experiences a serious health condition with a pregnancy that results in incapacity.

This new program is mandatory. On January 1, 2019, employers will begin collecting assessments. Benefits will become available one year later, on January 1, 2020.

The program will be funded by assessments of 0.4% on all earned wages in Washington. All employees* are subject to the assessment, including part-time and temporary employees.

For employers with 50 or more employees, the 0.4% is split as follows: 63% is paid by the employee (.252% of wages), and 37% is paid by the employer (.148% of wages). As with workers compensation insurance paid to the Department of Labor & Industries, employers may – but are not required to – pay the full amount.

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As your third-party payroll provider, San Juan County is prepared to collect and remit the required assessments. You will not need to do any extra tracking of hours or wages. We will continue to keep all necessary information. Assessments will be withheld with every paycheck,

and remitted as required. We will also prepare and submit the required reports quarterly, along with other required state and federal reports.

What we need from you, by November 15, is your choice of how much your entity, as employer, will contribute. Your choices are summarized in the table below.

Employer size	50+ employees	
Who pays?	Employee	Employer
Plan A – Shared Cost	63% of assessment, or .252% of wages	37% of assessment, or .148% of wages
Plan B – Employer Pays All	0%	100% of assessment, or .4% of wages
Employer size	<50 employees	
Who pays?	Employee	Employer
Plan C – Employee Pays Required Assessment	63% of assessment, or .252% of wages	0%
Plan D – Employer Pays Assessment on Behalf of Employee	0%	63% of assessment, or .252% of wages
Plan E – Employee Pays Required Assessment, and Employer Pays Voluntary Assessment	63% of assessment, or .252% of wages	37% of assessment, or .148% of wages

Please let me, Robin Garcia, and/or Michelle Novak know of your election **no later than November 15**. Feel free to contact any of us with questions.

Exception for employers with collective bargaining agreements: If your agency and employees are subject to a collective bargaining agreement (CBA) that was in place on October 19, 2017, and is still active, neither you nor your employees are subject to assessments, or to benefits, until the agreement is reopened, renegotiated, or expires.

Attached is some summary information about the program. Learn more, including how the benefit program will work beginning in 2020, at the Employment Security website, esd.wa.gov (or go directly to paidleave.wa.gov). Another good description of the program is available on the MRSC website, at: <http://mrsc.org/Home/Stay-Informed/MRSC-Insight/August-2018/Paid-Family-Medical-Leave-Payments-Begin-2019.aspx>.

Milene

* There are some minor exceptions to the “all employees,” but nothing based on earnings or on number of hours worked. See the website for more information.

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