ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1073

AS AMENDED BY THE SENATE

Passed Legislature - 2021 Regular Session

State of Washington 67th Legislature 2021 Regular Session

By House Appropriations (originally sponsored by Representatives Berry, Wicks, Fitzgibbon, Bateman, Tharinger, Simmons, Kloba, Ramel, Ortiz-Self, Goodman, Ryu, Bronoske, Hackney, Chopp, Riccelli, Stonier, Frame, Macri, Davis, Pollet, Bergquist, and Harris-Talley)

READ FIRST TIME 02/22/21.

AN ACT Relating to expanding coverage of the paid family and medical leave program; 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.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. Sec. 1. (1) The legislature finds that many 7 Washington workers have suffered direct effects from the COVID-19 pandemic. Due to the unprecedented global shutdown in response to 8 COVID-19, many Washington workers who have paid into the paid family 9 10 and medical leave insurance program are unable to access their 11 benefits through no fault of their own. Workers recovering from 12 COVID-19 or caring for an individual who is severely ill due to 13 COVID-19 are unable to access their benefits.

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

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1 assistance employer grant to help offset small business employers' 2 costs related to employees on leave who are receiving a pandemic 3 leave assistance employee grant.

4 (3) The legislature intends to utilize federal funding from the 5 America rescue plan act to provide financial assistance to COVID-19 6 impacted workers. The legislature does not intend for this worker 7 assistance to affect the state's paid family and medical leave 8 insurance account.

9 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 50A.15 10 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:

17 (a) Worked 820 hours in employment during the first through18 fourth calendar quarters of 2019; or

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

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

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

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hours reported by the sum of the number of weeks for which the
employer reported hours.

3 (5) An employee is not eligible for a pandemic leave assistance 4 employee grant under this section for any week in which the employee 5 has received, is receiving, or will receive unemployment compensation 6 under Title 50 RCW, workers' compensation under Title 51 RCW, or any 7 other applicable federal unemployment compensation, industrial 8 insurance, or disability insurance laws.

9 (6) Employers with 150 or fewer employees may be eligible for a 10 pandemic leave assistance employer grant to assist with the costs of 11 an employee on leave, as provided in section 3 of this act.

12 (7) Grants under this section are available only until funding13 provided by the legislature solely for these purposes is exhausted.

14 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 50A.24 15 RCW to read as follows:

16 (1)The legislature recognizes that costs associated with employees on leave who have received or will receive a pandemic leave 17 18 assistance employee grant under section 2 of this act may disproportionately impact small businesses. 19 Therefore, the legislature intends to assist small businesses with the costs of such 20 21 employees on leave.

(2) Employers with 150 or fewer employees and employers with 50
or fewer employees who are assessed all premiums under RCW
50A.10.030(5)(b) may apply to the department for a pandemic leave
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.

30 (b) For an employee on leave who has received or will receive a 31 pandemic leave assistance employee grant under section 2 of this act, 32 an employer may receive a grant of up to \$1,000 as reimbursement for 33 significant wage-related costs due to the employee's leave.

34 (c) An employer may receive a grant under (a) or (b) of this 35 subsection, but not both, except that an employer who received a 36 grant under (b) of this subsection may receive a grant of the 37 difference between the grant awarded under (b) of this subsection and 38 \$3,000 if the employee on leave who has received or will receive a 39 pandemic leave assistance grant under section 2 of this act extended

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1 the leave beyond the leave initially planned and the employer hired a 2 temporary worker for the employee on leave.

3 (4) An employer may apply for a pandemic leave assistance4 employer grant no more than once.

5 (5) To be eligible for a pandemic leave assistance employer grant 6 under this section, the employer must provide the department written 7 documentation showing the temporary worker hired or significant wage-8 related costs incurred are due to an employee on leave who has 9 received or will receive a pandemic leave assistance employee grant 10 under section 2 of this act.

11 (6) The department must assess an employer with fewer than 50 12 employees who receives a pandemic leave assistance employer grant 13 under this section for all premiums for three years from the date of 14 receipt of the grant.

15 (7) Pandemic leave assistance employer grants shall not be funded 16 from the family and medical leave insurance account.

17 (8) For the purposes of this section, the number of employees18 must be calculated as provided in RCW 50A.10.030.

19 (9) An employer who has an approved voluntary plan is not 20 eligible to receive a pandemic leave assistance employer grant under 21 this section.

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

24 <u>NEW SECTION.</u> Sec. 4. Nothing in this act shall be construed to 25 limit or interfere with the requirements, rights, and responsibilities of employers and employees under Title 50A RCW, 26 except as provided in this act. Employees and employers receiving a 27 28 grant under section 2 or 3 of this act must comply with all provisions of Title 50A RCW and any rules promulgated thereunder. 29

30 <u>NEW SECTION.</u> Sec. 5. The employment security department may 31 adopt rules to implement this act.

32 <u>NEW SECTION.</u> Sec. 6. Sections 1 through 5 of this act expire 33 June 30, 2023.

34 <u>NEW SECTION.</u> Sec. 7. This act is necessary for the immediate 35 preservation of the public peace, health, or safety, or support of

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- 1 the state government and its existing public institutions, and takes
- 2 effect immediately.

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