



Washington Family Leave Insurance Program: Update April 2008

WHAT'S NEW - In April 2008, the legislature and Governor Gregoire re-affirmed Washington state's commitment to Family Leave Insurance by:

- Including \$6.2 million in the supplemental budget for program start-up costs through June 2009.
- Assigning the Employment Security Department to administer the program.
- Directing ESD to implement efficiencies recommended by the Family Leave Taskforce, making the program less costly to administer and easier for new parents and businesses to understand.

CURRENT COST ESTIMATES (FOR PARENTAL LEAVE BENEFITS):

- Start-up costs through June 2009 – \$6.2 million
- Total 1-time start-up costs through 2011 – \$10 million
- 2009-11 estimated cost – \$71.6 million (\$14.4 million administration, \$57.2 million benefits)
- 2009-11 estimated families served – 47,000
- 2011-13 estimated cost – \$88.6 million (\$12.6 million administration, \$76 million benefits)
- 2011-13 estimated families served – 62,100
- Based on experience in California's program, we can expect up to 2/3 of program users to make less than \$36,000 annually.

WHAT'S NEXT - State policy leaders and the Washington Family Leave Coalition have committed to bring a proposal for dedicated funding for Family Leave Insurance to the 2009 legislature. The proposal may include both a short-term plan to fund benefits starting in October 2009 and a longer-term plan. It may also include a schedule for expanding benefits to care for seriously ill family members and a worker's own serious illness.

PROGRAM SUMMARY

- What:** Up to 5 weeks off work to care for a newborn or newly adopted child.
- When:** Beginning October 1, 2009.
- Weekly benefit:** \$250 per week for full-time workers, prorated for part-time.
- Eligibility:** For employees who have worked at least 680 hours in the previous year.
- Job Protection:** For employees of companies with more than 25 employees, who have been with that employer a full year and at least 1,250 hours.
- Coordination :** Leave runs concurrently with FMLA and has similar requirements.
Employers may coordinate FLI with other benefit programs

HISTORY - Washington adopted Family Leave Insurance in 2007, recognizing the financial pressures on families and businesses, and the benefits of paid family leave to children's physical, social, and intellectual development. A broad-based coalition representing workers, businesses, seniors, children, and health professionals advocated for the program. The legislature asked a taskforce to study questions about the best way to administer and finance Family Leave Insurance. The taskforce reported to the legislature in January 2008 (report and study materials are available at <http://www.leg.wa.gov/Joint/Committees/FLI/>.)