



Washington Family Leave Insurance Program: Update October 2008

WHAT'S NEW: This fall, Governor Gregoire announced she is suspending development of the Family Leave Insurance program's computer system because of a projected budget shortfall. The program has not been cancelled – it is still on the books, and scheduled to begin delivering benefits to Washington's families and children less than one year from now. Sadly for thousands of Washington families and children, the Governor's decision makes it unlikely the program can start on time.

WHAT'S NEXT: The Washington Family Leave Coalition and legislators were already gearing up to identify a funding source for paid family leave in the 2009 Legislature. When Washington's governor and legislators arrive in Olympia next January, they will be making a host of important decisions about how best to protect our state's families and children from the fallout of the national economic downturn.

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 in October 2009 as well as a longer-term plan. And it may include an expansion of 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.
- Benefits:** \$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.

Current cost estimates (for parental leave benefits):

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