## SENATE BILL 5378

State of Washington 69th Legislature 2025 Regular Session

By Senators Stanford, Cortes, Harris, Wellman, Slatter, Krishnadasan, Lovelett, Nobles, and Valdez

Read first time 01/20/25. Referred to Committee on Labor & Commerce.

- 1 AN ACT Relating to expanding access to grants within the paid
- 2 family and medical leave insurance program for small school
- 3 districts; and amending RCW 50A.24.010.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 50A.24.010 and 2019 c 13 s 36 are each amended to 6 read as follows:
- 7 (1) The legislature recognizes that while family leave and 8 medical leave benefit both employees and employers, there may be
- 9 costs that disproportionately impact small businesses <u>and small</u>
- 10 <u>school districts</u>. To equitably balance the risks among employers, the
- 11 legislature intends to assist small businesses <u>and small school</u>
- 12 <u>districts</u> with the costs of an employee's use of family or medical
- 13 leave.
- 14 (2) The following employers may apply to the department for a grant under this section:
- 16 <u>(a)</u> Employers with ((<del>one hundred fifty or fewer</del>)) <u>51 to 150</u> 17 employees ((<del>and employers</del>));
- 18 <u>(b) Employers</u> with ((fifty)) or fewer employees who are
- 19 assessed all premiums under RCW 50A.10.030(5)(b) ((may apply to the
- 20 department for a grant under this section)); or

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1 (c) Employers classified as school districts of the second class 2 as provided in RCW 28A.300.065.

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- (3) (a) An employer may receive a grant of three thousand dollars if the employer hires a temporary worker to replace an employee on family or medical leave for a period of seven days or more.
- (b) For an employee's family or medical leave, an employer may receive a grant of up to one thousand dollars as reimbursement for significant additional wage-related costs due to the employee's leave.
- (c) An employer may receive a grant under (a) or (b) of this subsection, but not both, except that an employer who received a grant under (b) of this subsection may receive a grant of the difference between the grant awarded under (b) of this subsection and three thousand dollars if the employee on leave extended the leave beyond the leave initially planned and the employer hired a temporary worker for the employee on leave.
- (4) An employer may apply for a grant no more than ten times per calendar year and no more than once for each employee on leave.
- (5) To be eligible for a grant, the employer must provide the department written documentation showing the temporary worker hired or significant wage-related costs incurred are due to an employee's use of family or medical leave.
- (6) The department must assess an employer with fewer than fifty employees who receives a grant under this section for all premiums for three years from the date of receipt of a grant.
- (7) The grants under this section shall be funded from the family and medical leave insurance account.
- 28 (8) The commissioner shall adopt rules as necessary to implement 29 this section.
- 30 (9) For the purposes of this section, the number of employees 31 must be calculated as provided in RCW 50A.10.030.
- 32 (10) An employer who has an approved voluntary plan is not 33 eligible to receive a grant under this section.

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