Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Labor Committee

HB 3037

Brief Description: Allowing employees to accrue seniority benefits while on family leave.

Sponsors: Representatives Simpson, G., Delvin, Cooper, Hankins, Campbell and Chase.

Brief Summary of Bill

• Makes employees entitled to accrue seniority benefits while on leave under the federal Family and Medical Leave Act, the state Family Leave Law, or other applicable federal, state, or local law.

Hearing Date: 2/3/04

Staff: Jill Reinmuth (786-7134).

Background:

State and federal laws provide that eligible employees are entitled to take leave for specified family and medical reasons. These laws include the federal Family and Medical Leave Act (FMLA), the state Family Leave Law, and the state Family Care Law.

Federal Family and Medical Leave Act

Eligible employees are entitled to take up to 12 weeks of unpaid leave in a 12-month period for specified family and medical reasons, and to be reinstated to their original jobs or equivalent jobs.

An eligible employee is one who has worked for a covered employer for at least 12 months, and for at least 1,250 hours over the previous 12 months. A covered employer is one that had 50 or more employees in at least 20 weeks of the current or preceding year.

An employee who takes leave may not lose any employment benefits accrued <u>before</u> he or she takes leave. An employee is not entitled to accrue any seniority or employment benefits <u>while</u> on leave. An employer must maintain group health insurance coverage for an employee on leave on the same terms as if the employee continued to work.

State Family Leave Law

Enforcement of the state Family Leave Law is currently suspended in large part. As originally enacted, however, eligible employees were entitled to take up to 12 weeks of unpaid leave in a 24-month period for specified family and medical reasons, and to be reinstated to their original jobs or equivalent jobs within 20 miles of their workplaces.

An eligible employee was one who had worked for a covered employer on a continuous basis for the previous 52 weeks for at least 35 hours per week. A covered employer was one that had 100 or more employees in last calendar quarter.

An employee who took leave could not lose any benefits, including seniority or pension rights, accrued <u>before</u> he or she took leave. An employer was not required to grant benefits, including seniority or pension rights, <u>while</u> the employee was on leave. If an employer provided medical or dental benefits <u>before</u> an employee took leave, the employee could continue coverage by paying for the continued coverage while he or she was on leave at his or her own expense.

State Family Care Law

If employees are entitled to sick leave or other paid time off under collective bargaining agreements or employer policies, employer are also entitled to use their choice of that leave to care for certain family members with certain health conditions. This law is silent as to whether seniority and other benefits may be accrued while an employee uses sick leave or other paid time off for these purposes.

Summary of Bill:

The provision relating to accrual of seniority benefits while on leave in the state Family Leave Law is changed. An employee is entitled to accrue seniority benefits while on leave under the federal Family and Medical Leave Act, the state Family Leave Law, or other applicable federal, state, or local law. Enforcement of this provision is not suspended.

The act takes effect 90 days after adjournment of the session in which the bill is passed, except that, for employees covered under unexpired collective bargaining agreements and employee benefit plans, the act applies upon the expiration of the agreements or the first day of the next plan year.

Rules Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Requested on January 28, 2004.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.