## Welcome

## Resources for Washington businesses

This free webinar will help employers gain important insights about the SharedWork program, Paid Family and Medical Leave, and Unemployment Insurance (UI) tax and wage reporting followed by live Q&A with program staff.

SharedWork, Paid Leave and UI Tax and Wage reporting

Wednesday, Aug. 23 10:30 a.m. - 12:00 p.m.





## Goals for SharedWork





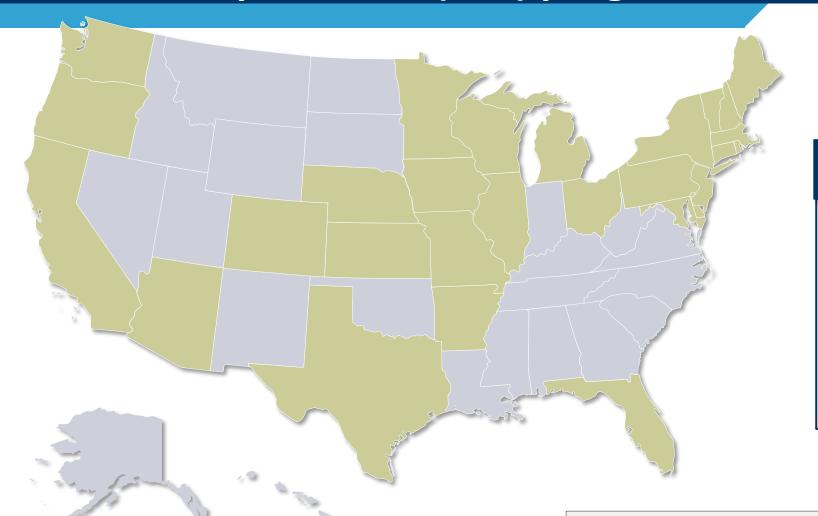
- 1. Gain insights into ESD's business-friendly programs with a focus on SharedWork.
- 2. Learn how the SharedWork program supports businesses and employees during uncertain times.
- 3. Provide important resource links and contact numbers.





**SharedWork - A proven business solution!** 

# States currently offering a Short-Time Compensation (STC) program



Offers Short-Time Compensation (STC) through Unemployment Compensation (UC) departments.

### Top 5 reasons employers sign up:

- 1. Loss of contracts or reduction in work
- 2. Maintain employee morale
- 3. In response to an economic downtown
- 4. Reduce payroll costs
- 5. Reduce cost of hiring and training new employees

Sources: <u>IMPAQ International</u>, <u>U.S. Department of Labor Employment and Training Administration</u>

## SharedWork in Washington



SharedWork is a voluntary employer assistance program that helps to stabilize employers and employees during a temporary economic setback.

- Employers reduce worker hours to save payroll costs, instead of cutting jobs.
- SharedWork pays employees a prorated percentage of unemployment insurance benefits.

"...the legislature finds that the public interest would be served by the enactment of laws providing greater flexibility in the payment of unemployment compensation benefits in situations where qualified employers elect to retain employees at reduced hours rather than instituting layoffs.

[ 1983 c 207 § 1.]

## SharedWork in Washington





In a survey of past employers who enrolled in Washington's SharedWork program:



SharedWork improved employee morale.



The program helped retain skilled workers.



Would recommend SharedWork to another employer.

### **Employer Requirements for SharedWork:**

- 1. Must be a legally registered business in Washington state.
- 2. Must have an Employment Security Department (ESD) number.
- 3. Must have at least two permanent employees, who are not corporate officers, affected by a reduction in hours and wages.
- 4. Continue to provide same benefits to employees.

### **Employee Requirements for SharedWork:**

- All permanent (part-time and full-time) employees may participate in SharedWork.
- 2. Employee must have a valid UI claim worked at least 680 hours during their <u>base year</u> (includes all employment)
- Must be able and available for all scheduled hours by SharedWork employer.

[read more]

## A temporary workforce reduction example



"We are a residential and commercial inspection company.

There are less buyers that qualify, and, as a result, less inspections are being scheduled. Business goes down 18% and halts growth in all departments."



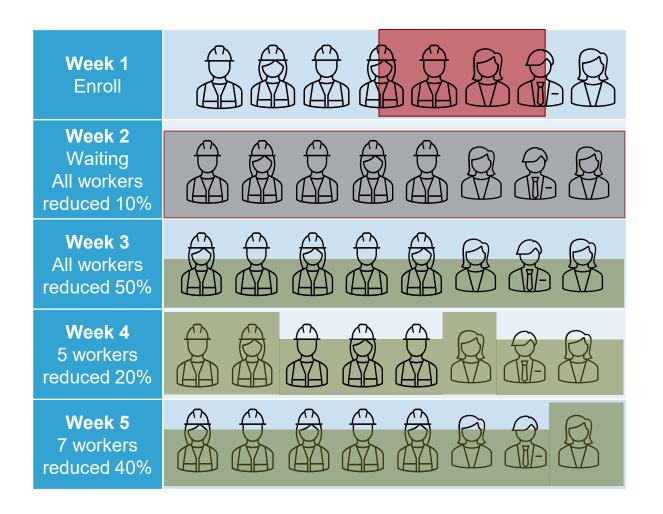
Ana's business is experiencing a temporary economic downturn. She employs 8 individuals. Instead of letting go of employees, she enrolls in the SharedWork program and reduces the workweek.

*In lieu of layoffs.* Ana gets her SharedWork plan approved for fifty-two weeks. There is no cost to enroll, and plans can be renewed year after year.

**Reduced workweek.** An employer may reduce an employee's usual weekly hours of work from ten to fifty percent and the employee can receive the same percentage of unemployment benefits.

**Summary.** The 8 employees would each receive wages from their employer, while also remaining eligible for up to 50 percent of their respective weekly benefit amount under SharedWork.

## A temporary workforce reduction example



40 HOURS						
HOURS	<b>BENEFIT %</b>					
36	10.0%					
35	12.5%					
34	15.0%					
33	17.5%					
32	20.0%					
31	22.5%					
30	25.0%					
29	27.5%					
28	30.0%					
27	32.5%					
26	35.0%					
25	37.5%					
24	40.0%					
23	42.5%					
22	45.0%					
21	47.5%					
20	50.0%					

# How much do employees get paid while on SharedWork?

Example using 40-hour chart from the Employee payment calculation chart.

Employee usual work hours are 40 hours per week. The Unemployment Insurance (UI) weekly benefit amount (WBA) is \$400 per week, which is how much I would get if I were completely unemployed. I worked 20 hours for my employer. I will receive 50 percent of my WBA. If eligible, my SharedWork benefit payment would be \$200.

## **Enrolling is fast, free and easy!**



The employer calls
SharedWork at
800-752-2500 option 3
to check business
eligibility.

The employer assigns
a SharedWork
representative (or
two) and submits an
Employer Plan
Application and a
Participant List.

Once the employer plan is approved, each participant submits an **Employee Application** and can <u>file weekly</u> claims.

The employee receives
earned wages and a
share of
unemployment
insurance benefits
when hours are
reduced.

The employer representative checks the weekly SharedWork Payments Report for accuracy.

## **SharedWork testimonials**

Watch the SharedWork industry panel May 23, 2023



"Before SharedWork some of our employees did leave just knowing that we would have reduced hours. We haven't seen that at all since we started SharedWork, and that was huge for us. We had a meeting to start with SharedWork, and there was some skepticism at first, but once it got going, it's been seamless and they've been so happy, our employees. We have been able to retain everybody through SharedWork, and that has been such a boon for us."

~ Carol Linge, Ed's Economy Roofing, Bush Prairie



"Once we signed onboard, they felt a sense of relief that they didn't have to go look for another job to supplement their income, and also they didn't feel that they had to compromise their loyalty and commitment to the company. When they had the hours, they are committed and dedicated, and when they are not, they understand that the work is going to come."

~ Ana Ramirez, Boggs Inspection Services, Lacey



"It has helped us retain our employees and GIVEN US a bit of flexibility. Some weeks a particular department is busier and we need those employees full-time and some weeks it's slower, and they can take a day of workshare. As the business increases again, it's easier to jump back in to fully staffed and up to speed. It's strategic in multiple ways."

~ Michelle Dvorak, Pacific Northwest Title of Kitsap

## **SharedWork testimonials**

Watch the
SharedWork
industry panel
"fast play"
Feb. 21 2023





"It has allowed us to maintain our staff count and service levels, while lowering our overhead during the temporary housing shift. Staff is appreciative of the plan option and receiving partial payment with a day out of the office."

~ Erin Crain, AVP/office administrator, <a href="Chicago Title of Washington">Chicago Title of Washington</a>, Everett



"SharedWork has given us a great amount of balance and flexibility to pivot and budget our expenses wisely. It's given the employees a sense of security. They know that we're doing this so that we don't have to take more dramatic measures, so there's massive relief of anxiety in that sense as well."

~ Jen Post, owner, <a href="Prestige Escrow">Prestige Escrow</a>, Woodinville



"It's really a good thing we have SharedWork or I could be at risk of losing the employees with whom I've invested thousands of dollars in training. My valued employees are part of our business family, and I don't want to lose them. During these ups and downs of the economy, it has been a lifesaver."

~ Suzette Jackson, VP/owner, NorthWest Granite & Flooring LLC, Whidbey Island

# SharedWork usage by county

The table below shows active SharedWork plans in the state of Washington through July 2023.

County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)	County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)
Adams	276	2	46	Jefferson	432	7	71
Asotin	239	1	8	King	33,765	260	4,627
Benton	2,226	25	536	Kitsap	2,640	20	289
Chelan	1,393	22	889	Kittitas	598	2	113
Clallam	904	7	184	Klickitat	304	4	78
Clark	6,004	62	719	Lewis	908	15	367
Columbia	85	-	-	Lincoln	110	-	-
Cowlitz	1,124	6	272	Mason	498	6	81
Douglas	380	3	116	Okanogan	611	2	8
Ferry	86	1	19	Pacific	319	-	-
Franklin	1,005	2	6	Pend Oreille	125	1	2
Garfield	18	-	-	Pierce	8,244	110	2,709
Grant	1,184	10	171	San Juan	454	3	8
Grays Harbor	820	13	337	Skagit	1,655	18	281
Island	838	6	71	Skamania	94	2	17

County	Businesses eligible for SharedWork in this county (estimated)	Businesses currently participating in SharedWork	Employees participating in SharedWork (enrolled by their employer)	
Snohomish	8,079	93	2,477	
Spokane	6,136	62	2,025	
Stevens	383	2	4	
Thurston	3,367	33	673	
Wahkiakum	47	-	-	
Walla Walla	765	9	90	
Whatcom	3,084	42	819	
Whitman	447	3	25	
Yakima	2,494	24	785	
Other	10,013	175	3,862	
Total	102,154	1,053	24,631	

## Contact SharedWork

Employers can verify their eligibility in minutes and get answers by calling 800-752-2500 and choosing Option 3.

800-752-2500

8am to 4pm, Monday through Friday

Option 1 – Claims

Option 2 – Existing Plans

Option 3 – New Plan Inquiry

Option 4 – I was asked to call

sharedworkplansect@esd.wa.gov

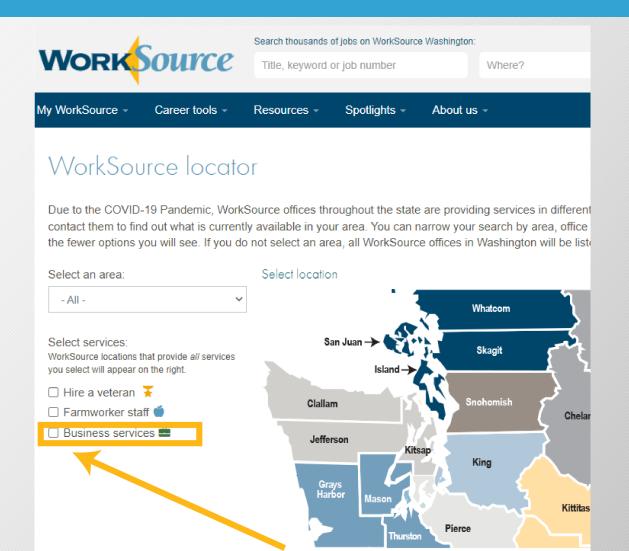
## More ways to learn about SharedWork

- Watch our commercial on Youtube.
- The SharedWork program will be hosting many regional and statewide free virtual events for employers in Washington.

### esd.wa.gov/SharedWork/events

- The SharedWork program will be hosting weekly webinars through the year end to help businesses get informed.
- Wednesdays 10:45 a.m. | <u>SharedWork</u>
   <u>Q&A for businesses webinar</u>.
- Download the SharedWork info card.

## Get to know your local WorkSource



# Dedicated business services teams support you locally and virtually:

- Recruitment and retention
- Job fairs and hiring events
- Job postings and applicant screening
- Interview and training space
- Labor market information and forecasts
- Tax incentives and layoff aversion strategies



## Visit our websites and contact us

## **ESD Business-Friendly Programs**



https://esd.wa.gov

https://esd.wa.gov/Sharedwork

https://paidleave.wa.gov

https://esd.wa.gov/employer-taxes/businesses-contact

https://wacaresfund.wa.gov

https://esd.wa.gov/labormarketinfo

https://worksourcewa.com



1-855-829-9243 - UI Account Management Center - employer option 3

**1-833-318-6022** – Weekly UI claims center

1-833-717-2273 – Paid Family and Medical Leave (PFML)

1-800-752-2500 - SharedWork Program - New inquiry option 3

1-833-572-8421 - Labor Market Information

1-844-227-3492 - WA Cares Fund

## Thank you for joining us today





Tax & Wage

One call resolution for all customers who need assistance



# Tax & Wage KEY COMPONENTS OF TAX & WAGE



- Report filing and payments
- Tax rate calculations
- Relief of benefit charges
- Wage and hour adjustments (amendments)
- Waivers of penalties & interest
- Tax Refunds

## Overview of UI Tax



- Reports & payments are due quarterly. Late payments & reports are assessed penalties & interest and could affect your annual tax rates.
- To report & pay go to <u>www.esd.wa.gov</u>.
- The tax due is calculated by multiplying the taxable wages by the tax rate.
- Amendments are corrections to reports. Employers have three years to amend reports. Amendments may impact your tax rate.
- Tax Rates: Delinquent rates will be assessed for late penalties & interest.

Quarterly Reports are due at the end of the month following the quarter.

Q1: April 30th

Q2: July 31st

Q3: October 31st

Q4: January 31st

## Example of 2023



The tax due is calculated by multiplying the taxable wages by the tax rate. Wage base 2023 = \$67,600

- If the employee's salary = \$55,000, pay taxes on \$55,000.
- If the employee's salary = \$68,000, pay taxes on \$67,600 of their wages.

The amount over the taxable wage base of \$67,600 (\$400 in the example) is considered excess wages. Excess wages are reported (for unemployment-insurance benefits purposes), but are subtracted from the employee's total wages, so they do not pay taxes on the amount above the taxable wage base.

## Common questions



- What is my billing statement for?
  - This is a balance due on your tax account.
- How do I file & pay my quarterly taxes?
  - Secure Access WA & EAMS <a href="https://www.esd.wa.gov/employer-taxes/about-EAMS">https://www.esd.wa.gov/employer-taxes/about-EAMS</a>
- How do I update my address, close my account or update owner/officers?
  - Fill out business change form 5208C-1 or owner/officer change form: <a href="https://esd.wa.gov/employer-taxes/forms-and-publications">https://esd.wa.gov/employer-taxes/forms-and-publications</a>
- I need to correct my quarterly filing. How do I fix it?
  - File an amendment in EAMS <u>ESDWAGOV Unemployment Taxes</u> or submit a paper Amended tax & wage report(5208D) form: <a href="https://esd.wa.gov/employer-taxes/forms-and-publications">https://esd.wa.gov/employer-taxes/forms-and-publications</a>.
- I received a Benefit Charge Notice. What is this?
  - <u>It is not a bill.</u> This is advising employers a former employee is claiming UI and their tax account may be charged. To request relief of benefit charges email <u>UIFILES@ESD.WA.GOV</u>, or follow instructions on the form.

# Tax & Wage Basic overview of the UI Tax Experience Rates



#### **TAX RATES**

- Tax Rates are made up of three components: UI tax rate, Social cost & the EAF (Employment Administrative Fund). For 2023, Social cost is capped at .7%
- Rates are based on your employment experience benefit charges and taxable wages reported the past 4 years. There are 40 rate classes.
- Sept 30<sup>th</sup> is the deadline each year to resolve any past due filings or balances that may impact your rate the following year.
- Tax Rate Notices are calculated and mailed annually in December.
- Request review of tax rates email <u>UIFILES@ESD.WA.GOV</u>.

# Tax & Wage Basic overview of the UI Tax Experience Rates



### **BENEFIT CHARGES**

- Benefit Charging Notice: Notifies you that you could be charged & states details of claims.
- Quarterly statement of benefit charges.
- Request relief of charges email <u>UIFILES@ESD.WA.GOV</u>.
- Reasons for granting relief of Benefit Charges:
  - Voluntary quit
  - Discharged for misconduct
  - Catastrophe
  - Etc.

For specific questions regarding Relief of Benefit Charges, please reach out to our Rates unit:

- 855-829-9243
- ESDexperiencerating@esd.wa.gov

# Upgrade to Employer Account Management Services (EAMS)



- Upgraded EAMS (Employer Account Management Services) filing system is the only online filing available starting in 2023.
- The required file format has changed
  - Four columns in old version of EAMS
  - Eight columns in upgraded EAMS
    - Has separate columns for last, first, middle names
    - Includes column for SOC code

#### **Benefits to Upgraded System:**

- Quicker response time for filing with the new system
- Easier to manage locked service requests for employers and employees
- Improved error checking upon file upload
- Standard Occupational Classification (SOC) codes

See <u>website</u> for importing wage file information.

## Standard Occupational Classification (SOC) Code



#### What is it?

- Standard Occupational Classification (SOC) is a federal coding system used to identify occupations and workers. Data is used to analyze workforce demand and evaluate the effectiveness of training programs.
- Adding SOC codes became a filing requirement on Q4/2022 report by January 31, 2023.

#### History

- Stemmed from the recommendation by Future of Work Task Force in 2019
- Washington State House Bill 2308 SOC codes implemented into quarterly tax report
- In addition, Washington is following in the footsteps of other states, including Alaska and Indiana.

#### **Starting in Nov. 2021 through third quarter 2022:**

- All Upgraded EAMS users can look up and provide SOC codes.
- Use the new SOC lookup tool to find the most accurate codes for each of your employees
   (onetonline.org). A link to this page is available on our website. <a href="https://esd.wa.gov/employer-taxes/about-soc">https://esd.wa.gov/employer-taxes/about-soc</a>

If you have any questions about how to report SOC codes, just email us at <u>socreporting@esd.wa.gov</u> or call us at 855-829-9243 option 6.

## Paid Family & Medical Leave (PFML) and WA Cares



Paid Family and Medical Leave and WA Cares are new benefits for Washington workers. PFML is here for you when a serious health condition prevents you from working or when you need time to care for a family member, bond with a new child or spend time with a family member preparing for military service overseas. WA Cares will provide support when long term care is needed.

- PFML and WA Cares are part of Employment Security Department but separate from Unemployment Insurance.
- PFML and WA Cares are reported together but are a separate quarterly report from Unemployment Insurance.
- For more information, please see <u>paidleave.wa.gov</u> or <u>wacaresfund.wa.gov</u> or call (833) 717-2273!

## Tax & Wage Important Contact Information



Meredith Cole – Tax Accounting/Rates Supervisor

- **360-890-3585**
- meredith.cole@esd.wa.gov

Benefit charging/tax rate review requests

■ 855-829-9243 – option 3

Account Management Center – General Questions

- **855-829-9243**
- olympiaAMC@esd.wa.gov

Denice Craig – UICS Employer Services Manager

- **360-890-3650**
- denice.craig@esd.wa.gov

# Washington Paid Family & Medical Leave

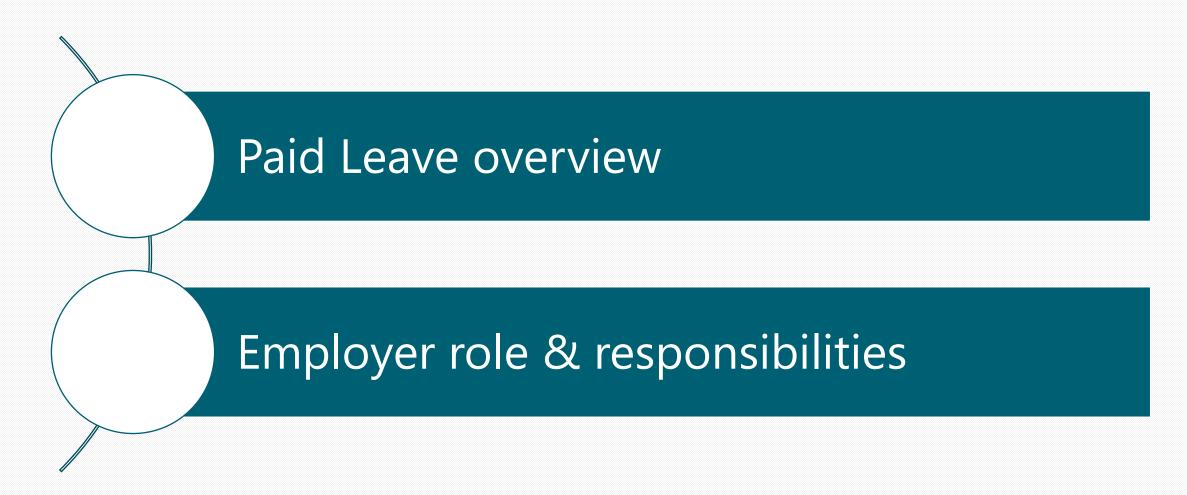


## Paid Family & Medical Leave

Liz Boot- 8/23/2023



# Agenda



# Paid Leave overview

## Paid Family and Medical Leave provides paid time off when you need it most.

It's here for you when a serious health condition prevents you from working, when you need time to care for a family member or a new child, or for certain military-related events.



# Who does this apply to?



Workers & their employers in Washington

# Exceptions

Federal employees.

People employed by tribal owned businesses on tribal land.

Self-employed people who don't opt into the state program.

Workers covered by a collective bargaining agreement that hasn't expired, been reopened or renegotiated since Oct. 19, 2017.

Workers covered by their employer's approved voluntary plan.

# High-level benefit overview

## Become eligible

 Hours worked and qualifying event

## Apply for leave

 Apply directly with ESD, not through employer

## Determination

 ESD uses hours worked and certification of event

# Two-part benefit eligibility



# Hours worked

- 820 hours in the qualifying period.
- At one employer or cumulatively.



# **Qualifying event**

- Serious health condition (your own or a family member's).
- Birth or placement.
- Military events.

# Medical leave to care for yourself

- Time to recover from a serious health condition.
- Like short-term disability.



# Family leave to care for someone else

- Bonding leave for parents in the first year after the birth or placement of a child under 18. Includes adoption and foster parents.
- Care for a family member experiencing a serious health condition.
- Military family leave; Broadly related to overseas deployments.
  - Statute references federal law related to military exigencies covered by FMLA.



## Definition of family member

- Spouses and domestic partners
- Children (biological, adopted, foster or stepchild)
- Parents and legal guardians (or spouse's parents)
- Siblings
- Grandchildren
- Grandparents (or spouse's grandparents)
- Son-in-law and daughter-in-law
- Anyone who has an expectation to rely on you for care

## What's a "serious health condition"?

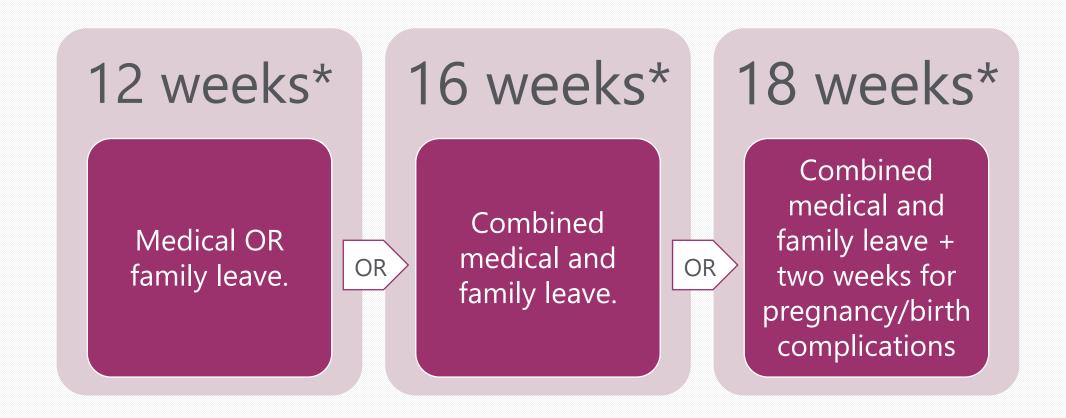


- Generally, includes serious illnesses and injuries, pregnancy, chronic conditions and some substance abuse and mental health treatment.
- Defined in the law.
- Up to a healthcare provider to diagnose and certify.



 Generally, does not include common cold, flu, earaches, upset stomach, headaches (other than migraines) and cosmetic treatments.

## How much time?



# Application life cycle

### Application received

- Employer notification sent
- Verify identity
- Check for completeness
- Begin review

### Specialist does factfinding if needed

Via phone or secure message

## Specialist makes a decision

 Application is approved or denied

# Filing weekly claims

File weekly claims to get paid.

File online or by phone.

A week begins on Sunday and ends on the following Saturday.

You can file for up to four weeks at a time, but only for weeks that have passed.

The first week of some claim types is a waiting week and is not paid.

- Applies to medical leave for yourself (except medical leave to recover from giving birth) and family leave to care for someone with a serious health condition.
- You must still file a weekly claim for that week.
- You must still miss 8 consecutive hours of work for it to count as a waiting week.

# Supplemental benefits

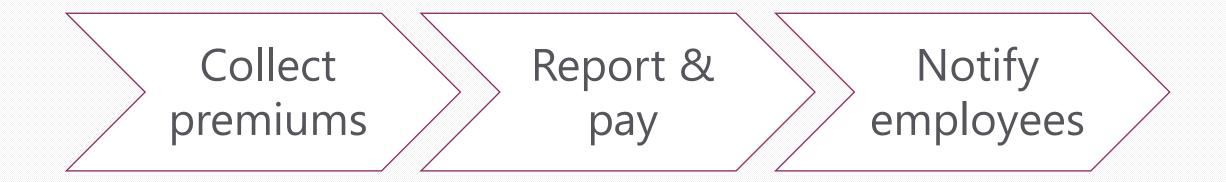
- A payment from an employer to an employee to make up the difference between their regular wage and the benefit paid by Paid Leave.
  - Employers do not have to offer it, and employees do not have to accept it.
- It could be salary continuation (top off) or paid time off (PTO).
- Ask your employer whether your PTO is a supplemental benefit.





# Employer role & responsibilities

# High-level employer role



# **Collect premiums**



**Total premium** 

0.8%

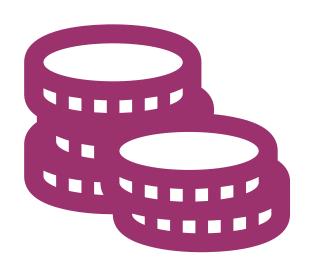
gross wages up to the Social Security cap

Can be shared

employee: 72.76%

employer: 27.24%

## Premium calculation



- 1. Calculate premium
  - Total premium = gross wages\* x 0.008
- 2. Calculate employer & employee portion
  - Employer portion = total premium x 0.2724
  - Employee portion = total premium x 0.7276

### **Calculator**

paidleave.wa.gov/estimateyour-paid-leave-payments/

### Calculate your premiums

Select the correct year and then click "calculate".

Enter gross payroll

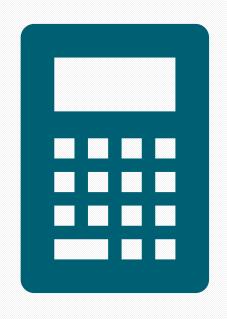
2023 🕶

Calculate

### **Paid Leave**

If you have employees whose gross wages are over the Social Security wage cap, this calculator may overestimate your total Paid Leave premiums.

	Sum	Employer	Employee
Family Leave Premium	\$0.00	\$0.00	\$0.00
Medical Leave Premium	\$0.00	\$0.00	\$0.00
Total Paid Leave Premium	\$0.00	\$0.00	\$0.00



## **Business size**

- ESD calculates your business's size on Sept. 30 of each year.
- The calculation is used to determine your business size for the next calendar year.
- It's based on your average employee headcount over the previous four quarters as reflected in your quarterly reports.
  - It is not calculated by full-time equivalent (FTE) positions.

# Reporting & payment deadlines

Quarter	Reporting period	Due by
First	January, February, March	April 30
Second	April, May, June	July 31
Third	July, August, September	October 31
Fourth	October, November, December	January 31

### Reporting resources

paidleave.wa.gov/employers/

- √ Requirements
- √ Checklist
- ✓ Instructions
- √ FAQs

# Checklist for Filing Your Quarterly Report

Before you file your quarterly report, make sure you have this information ready.

#### **BUSINESS INFORMATION:**

- Your SecureAccess Washington (SAW) login (If you don't have one, you can create an account <u>online</u>)
- Business identifier (UBI) number (If you don't know your UBI number, you can look it up <u>online</u>)
- Business name
- Total premiums collected (if any) from employees
- Name of the report preparer

### **EMPLOYEE INFORMATION:**

- Social security number (SSN) or individual taxpayer identification number (ITIN)
- First name, last name, middle initial
- Wages paid during the reporting quarter, and the associated hours worked

## Notification requirements

### All Washington employees

- Inform your employees about the program by posting a notice in a place customarily used to post other employment-related notices.
- Poster in English & Spanish available online.

### Individual employees

- Five business days after an employee's seventh consecutive day of absence due to family or medical leave, or
- Five business days after you learn an employee's absence is due to family or medical leave.

## Resources



### paidleave.wa.gov/help-center/employers/

# Sign-up for news & details

Including upcoming webinars for employers and self-employed people!

Sign-up at esd.wa.gov/employertaxes/employer-newsletterhistory

### **Employer Newsletter**

A monthly newsletter focusing on WA Cares Fund, Paid Family & Medical Leave, and Unemployment Insurance. **Sign up**.

### 2023

Employer Newsletter - February 2023 | Issue 31 Employer Newsletter - January 2023 | Issue 30

### 2022

Employer Newsletter (Special edition) - December 2022 | Issue 29
Employer Newsletter - December 2022 | Issue 28
Employer Newsletter - November 2022 | Issue 27
Employer Newsletter (UI edition) - November 2022 | Issue 26
Employer Newsletter - October 2022 | Issue 25
Employer Newsletter - September 2022 | Issue 24
Employer Newsletter - August 2022 | Issue 23
Employer Newsletter - July 2022 | Issue 22
Employer Newsletter - June 2022 | Issue 21

## **Contact Paid Family and Medical Leave**





833-717-2273

paidleave.wa.gov





### **Next webinar**



### **Webinar for Washington businesses**

Learn about three programs that support your business and employees. This free webinar will show employers how to use SharedWork, WOTC and federal bonding programs for a competitive workforce advantage!

SharedWork, Work Opportunity Tax and Federal Bonding programs Wednesday, September 20 10:30 - 11:30 a.m.



## **Spanish**



### Recursos para empresas de Washington

¡Obtenga información importante sobre SharedWork, Crédito Tributario por Oportunidad de Trabajo y Programas de Fianzas Federales para obtener una ventaja competitiva en la fuerza laboral!

SharedWork, Crédito Tributario por Oportunidad de Trabajo y Fianzas Federal mié 20 de septiembre 2:00 - 3:00 p.m.



# Register now!