

Proposed 2018 Ballot Initiatives vs. “Grand Bargain” Legislation (H.4640)

| Issue | Ballot Initiative Proposals | “Grand Bargain” Legislation |
|---|--|--|
| Sales Tax Rate <ul style="list-style-type: none"> • Current rate 6.25% | <ul style="list-style-type: none"> • Effective 1/1/19, rate reduced to 5% | <ul style="list-style-type: none"> • No change in rate, remains at 6.25% |
| Sales Tax Holiday <ul style="list-style-type: none"> • Not in law, previous holidays established only as one-time events | <ul style="list-style-type: none"> • Permanent annual sales tax holiday weekend established in August, date set by July 15th | <ul style="list-style-type: none"> • Permanent annual sales tax holiday weekend established in August, date set by July 1st |
| Minimum Wage <ul style="list-style-type: none"> • Currently \$11 per hour • Not indexed to inflation | <ul style="list-style-type: none"> • Effective 1/1/19 - \$12.00 per hour • 1/1/20 - \$13.00 per hour • 1/1/21 - \$14.00 per hour • 1/1/22 - \$15.00 per hour • Then annually increased indexed to inflation | <ul style="list-style-type: none"> • Effective 1/1/19 - \$12.00 per hour • 1/1/20 - \$12.75 per hour • 1/1/21 - \$13.50 per hour • 1/1/22 - \$14.25 per hour • 1/1/23 - \$15.00 per hour • Not indexed |
| Sunday/holiday Premium Pay Requirement <ul style="list-style-type: none"> • Currently time and one half (1.5 multiplier) pay required for most retail workers on Sundays/holidays | <ul style="list-style-type: none"> • No change proposed | <ul style="list-style-type: none"> • 1.5X premium pay phased out • Effective 1/1/19 – 1.4 multiplier • 1/1/20 – 1.3 multiplier • 1/1/21 – 1.2 multiplier • 1/1/22 – 1.1 multiplier • 1/1/23 – repeal complete, no multiplier |
| Tip Credit for tipped employees <ul style="list-style-type: none"> • Currently \$3.75 per hour • Not indexed to inflation | <ul style="list-style-type: none"> • Effective 1/1/19 - \$5.05 per hour • 1/1/20 - \$6.35 per hour • 1/1/21 - \$7.64 per hour • 1/1/22 - \$9.00 per hour • Then annually increased indexed to inflation | <ul style="list-style-type: none"> • Effective 1/1/19 - \$4.35 per hour • 1/1/20 - \$4.95 per hour • 1/1/21 - \$5.55 per hour • 1/1/22 - \$6.15 per hour • 1/1/23 - \$6.75 per hour • Not indexed |
| | | |

Paid Family & Medical Leave

- Currently no program

- **Benefits:** paid job protected leave to:
 - Receive treatment for a serious medical condition
 - Bond with a newborn or newly adopted child
 - Care for family member with serious medical condition
 - Care for family member injured while serving in the armed forces
 - Handle matters arising from a family member's active duty service in the armed forces or call for deployment
- **Duration**
 - 16 weeks family leave
 - 26 weeks medical leave
 - 26 weeks aggregate/military
- **Wage Replacement**
 - 90% of employee's weekly wage up to cap
 - Weekly benefit capped at \$1,000
- **Contributions**
 - Payroll tax of .63%, adjusted annually
 - Employers cover 50% of premium
 - No small business exemption
- **Employer Opt-Out:** none
- **Effective Dates:** January 1, 2019

- **Benefits:** paid, job protected leave to:
 - Receive treatment for a serious medical condition
 - Bond with a newborn or newly adopted child
 - Care for family member with serious medical condition
 - Care for family member injured while serving in the armed forces
 - Handle matters arising from a family member's active duty service in the armed forces or call for deployment
- **Duration:**
 - 12 weeks family leave
 - 20 weeks medical leave
 - 26 weeks aggregate/military
- **Wage Replacement**
 - 80% of employee's wage up to 50% of the State Avg. Weekly Wage (\$669.03)
 - Then 50% of wages exceeding 50% of SAWW up to cap
 - Weekly benefit capped at \$850
- **Contributions**
 - Payroll tax of .63%, adjusted annually
 - Employees cover 100% of family leave and 40% of medical leave contribution
 - Employers cover at least 60% for medical leave
 - Employers with 25 or fewer employees not required to cover employer portion of contributions BUT are required to remit employee portion
- **Employer Opt-Out**
 - Business has option to provide private benefits program meeting requirements of the law.
 - Private plan must be certified by the state
- **Effective Dates**
 - Family Leave:
 - For care of child: 1/1/21
 - For family member with serious health condition: 7/1/21
 - Medical Leave: 1/1/21
 - Military Family Leave: 1/1/21