STATE OF WASHINGTON
OFFICE OF GOVERNOR JAY INSLEE

December 22, 2021

Commissioner Cami Feek
Employment Security Department
P.O. Box 9046
Olympia, WA 98507

Dear Commissioner Feek:

I have been in ongoing discussions with legislators about the Long Term Services and Support law (Title 50B), which is set to begin collecting funds in January. This law will help provide much-needed care and coverage for Washingtonians as they age. Legislators have identified some areas that need adjustments, and I agree. We need to give legislators the opportunity to make refinements to the law.

The Legislature has committed to changing the Long Term Services and Support law in January of 2022, including delaying the premium collection timelines currently outlined in this law. Until that change occurs, the existing law remains in place; I do not have the power to change the law on my own. While the Legislature lacks authority to direct employers not to collect premiums, legislative leadership has strongly encouraged the employer community to pause collection of premiums from employees, to allow lawmakers time to pass legislation extending implementation dates for this law until next year.

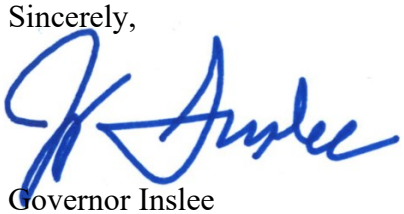
Based on the Legislature's stated commitment, employers must now choose whether to begin collecting premiums on January 1, 2022 according to the current law, and returning the premiums to workers following a change in the law, or delay collection in anticipation of this legislative change. As you know, if the Legislature fails to change the law, employers will still be legally obligated to pay the full amount owed to your agency.

Consistent with my announcement last week, and in order to support employers and workers during this transition period, I am directing the Employment Security Department to not accept premiums from employers in advance of quarterly taxes due in April 2022, except in circumstances required by law in the event of a business closure. Also, based on the legislature's statement of intent to change the law, I further direct the agency to not find employers non-compliant when they do not assess premiums in accordance with the current Long Term Services and Support law. The Department shall not assess penalties or interest on those employers' accounts. My expectation is that, if the Legislature fails to act to change the Long Term Services and Support law in early 2022, the Department will work with employers who did not assess

Long Term Services and Support premiums during the first quarter of 2022, to develop plans to address potential payment options, consider administrative waivers, or craft other potential remedies in a way that supports the most equitable outcomes for all parties.

Thank you for the agency's work to support employers and workers through this process.

Sincerely,



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