Employment, Labor & Workforce Management

ACT NOW ADVISORY

New D.C. Office of Paid Family Leave Launches Website

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The District of Columbia Office of Paid Family Leave ("OPFL") recently launched a website to help employers and employees prepare for the new Paid Family Leave ("PFL") benefit. On July 1, 2019, the OPFL will begin collecting payroll taxes from employers for the quarter ending June 30, 2019, which will fund the benefits available under the Universal Paid Leave Amendment Act of 2016 ("Act") starting July 1, 2020. Any business performing services in the District of Columbia that also pays unemployment insurances taxes for its employees will be required to pay payroll taxes for the PFL benefit by contributing to a Paid Leave Implementation Fund ("Fund"). There is no minimum employee threshold for employers to be required to contribute to the benefit. The payroll tax will be 0.62 percent of covered employees' wages. Separate provisions apply to self-employed individuals who wish to participate in receiving the benefit.

The new website provides the maximum allowance for PFL under the different circumstances in which leave must be granted, an employer quiz regarding employer obligations under the PFL benefit, an announcement of the new benefit in both English and Spanish, and a quarterly tax calculator to help employers estimate their tax obligations under the benefit. The website also includes registration links for employers to take part in webinar presentations regarding the PFL benefit. Additionally, there are several resources to assist employers in complying with the new benefit and the accompanying tax, including the following:

- Employer Toolkit
- Previous PFL Employer Webinar Recording
- PFL Employer Frequently Asked Questions ("FAQ")
- PFL Final Contribution Regulations (i.e., proposed final rules on the tax collection procedures pursuant to the Act)
- PFL Message for Employers

- Self-Employed Individual FAQ
- Universal PFL Q1 FY19 Report
- Universal PFL Q2 FY19 Report

The OPFL has issued a "Public Notice" to D.C. employers and employees in English and Spanish; however, the Public Notice is not the notice/poster that will need to be posted/distributed to employees to inform them of their rights under the Act. The OPFL will prepare a version of this latter notice/poster, but it will not require employers to obtain a signed acknowledgement from their employees. As the OPFL has stated that employers will be responsible for posting the notice/poster in a conspicuous place in their workplace starting July 1, 2019, we presume it will be available soon. In addition to being posted in the workplace, the notice/poster must be provided in either a physical copy or an electronic version (i) when an employee is hired, (ii) annually, and (iii) when an employee requests PFL.

What D.C. Employers Should Do Now

- Review the OPFL's new website to learn more about the PFL benefit.
- Use the form at the bottom of the OPFL <u>home page</u> to sign up to receive regular electronic updates.
- Prepare to contribute to the Fund, which may require coordinating with your payroll provider.
- Update your contact information on the <u>Employer Self-Service Portal</u>, which is used for unemployment insurance, or register an account if you do not already have one.
- Prepare to post the employee notice/poster.
- Prepare to inform your workers about PFL.
- Maintain documentation of employees' wages and related communications.

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