



# Washington D.C. Paid Family Leave (DC PFL)

Benefits payable beginning July 1, 2020



# Sun Life

## Employer Eligibility

- Any businesses performing services in DC that also pay unemployment insurance taxes for their employees
- Non-profit organizations and household employers that pay unemployment insurance tax

Does not cover:

- Any employer that is not required to pay unemployment insurance on behalf of their employees
- Self-employed individuals are excluded but permitted to opt into DC's paid family leave program

## Employee Eligibility

- A "covered employee" is any employee who spends more than 50% of their work time for a covered employer in DC or work for a covered employer that is based in DC, spends a substantial amount of their work time in DC and spends no more than 50% of their work time for the employer in another location.
- An "eligible individual" is one who has worked for a covered employer or is self-employed and opted in and who has performed work 50% of the time in DC in the 52 calendar weeks immediately preceding the qualifying event for which paid leave is being taken.

## Benefit Duration

Covered employees who work in DC are allowed the following in a 12-month period:

- Up to 8 weeks of paid parental leave
- Up to 6 weeks for care of a family member
- Up to 2 weeks for their own serious health condition
- Up to 8 weeks of combined maximum paid family leave

## Reasons for leave

### Family leave

- Bonding (birth, adoption, foster-care placement, or placement of a child where the eligible individual legally assumes and discharges parental responsibility.) This leave must be taken within a year of the birth or placement.

- Care for a family member with a serious health condition
- For the employee following their own diagnosis or occurrence of a serious health condition.

### The definition of a serious health condition

aligns with that used under the federal FMLA. Namely, a serious health condition is an illness, injury, impairment or physical or mental condition involving inpatient care in a hospital, hospice or residential medical facility or continuing treatment by a health care provider.

### Premiums

- All covered employers should have begun paying the 0.62% tax beginning on July 1, 2019. The tax funds should be remitted on a quarterly basis to the Office of Paid Family Leave.
- The program is 100% employer funded and premium is based on total gross wages paid to covered employees. There is no cap on wages subject to the DC PFL contribution.
- Self-employed individuals, who chose to opt-in to the DC PFL program during the first 90 days of premium collection, should have begun making their contributions equal to 0.62% of their annual self-employment income as of October 1, 2019.

### Benefit Amounts

- Employees receive 90% of their average weekly wage up to 150% of DC's minimum wage multiplied by 40, and
- Employees receive 50% of any amount earned in excess of 150% of DC's minimum wage multiplied by 40,
- Benefits are subject to a maximum weekly of \$1,000 (effective until October 21, 2021 and will be adjusted annually thereafter).

Earnings from multiple employers will be aggregated for the purpose of determining benefits. Benefit payments for partial weeks of leave will be prorated.

Minimum wage in D.C. is \$14.00 per hour in 2020.

## DC PFL

### Family Leave

# 8

## WEEKS

For parental leave



# 6

## WEEKS

For care of a family member



# 2

## WEEKS

For employee's own serious health condition



Up to a combined max

# 8

## WEEKS



# \$1,000

Max benefit

### Intermittent/reduced schedule leave

- Is available for care of a family member and for the employees' own serious health condition when medically necessary.
- Is available for bonding upon mutual agreement of the employee and employer.

### Covered family members

- Child: biological, adopted, or foster child, stepchild, legal ward, employee's domestic partner's child, or a person to whom an eligible individual stands in loco parentis
- Parent: biological, adopted, or foster parent, parent-in-law, stepparent, legal guardian, or other person who stood in loco parentis to an eligible individual when the eligible individual was a child
- Spouse or Domestic Partner
- Grandparent
- Sibling and sibling-in-law. Sibling in law includes the spouse of your sibling, the sibling of your spouse, or the spouse of your spouse's sibling

### Waiting period

- There is a seven calendar day waiting period before benefits are paid.

### Additional information

**Anti-Retaliation and Job Protection:** While there is no right to job restoration or other job protection under the DC PFL, there is an anti-retaliation provision. The job protections, health care continuation and restoration requirements of DC's unpaid FMLA law still apply and leave eligible under both laws shall run concurrently.

### Next Steps provided by DC's Department of Employment Services (DOES)

#### Make required contributions to the Paid Leave

**Implementation Fund:** Paid Family Leave benefit payments are funded by a 0.62% quarterly payroll tax based on the immediate past quarter of gross or total wages paid, much like the unemployment insurance tax.

#### Establish an account on the DOES online portal:

Quarterly wage reports and tax payments are submitted through an online portal, which will be available to employers prior to the beginning of the collection of the payroll tax. The reports will be similar to the UC30 wage report submitted for unemployment insurance taxes.

**Post the employee notice:** Notice about Paid Family Leave must be posted in a place that is accessible to all workers. The Mayor has provided employers with a template notice explaining employee rights, anti-retaliation provisions which can be found [here](#).

Each covered employer must, within 30 days of the date of hire and annually thereafter, and at the time the covered employer is aware that the leave is needed, provide written notice to each covered employee. Each covered employer must also post and maintain notice in a conspicuous place in English and in all languages in which the Mayor has published the notice. A covered employer who violates this notice requirement may be fined.

**Inform your workers about Paid Family Leave:** Share information upon hiring, annually for all workers, and when Paid Family Leave is needed.

**Maintain documentation:** Record your workers' wages and related communications. Maintain dates of leaves, copies of notices given to employees as required, and records of disputes between the employer and employee regarding the act. Keep payroll records that contain each employee's name, SSN or individual taxpayer identification number, pay period dates, wages, and dates of employment. These records must be retained for at least 3 years.

### Coordination with Short-Term Disability Benefits

If benefits received under the DC PFL law are running concurrently with Short-Term Disability benefits and taken for the same underlying condition (employee serious health condition and disability), most group Short-Term Disability policy benefits will be offset by the amount of the DC PFL benefit. Please note that the DC PFL benefits for own serious health condition are subject to a maximum duration of 2 weeks and maximum benefit of \$1,000. Most Short-Term Disability policies provide coverage for a longer duration (12-26 weeks are common) and, in many cases, a greater maximum. Additionally, DC PFL can be taken intermittently so benefits may be exhausted before Short-Term Disability is payable. Accordingly, Short-Term Disability continues to be a valuable benefit to protect employee income.

**Visit us at [sunlife.com/pfml](https://www.sunlife.com/pfml) for resources and education about PFML.  
This is your site for PFML, visit it frequently for updates.**

Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states, except New York. In New York, group insurance policies are underwritten by Sun Life and Health Insurance Company (U.S.) (Lansing, MI). Product offerings may not be available in all states and may vary depending on state laws and regulations.

The information in this document is based on our knowledge of the current DC PFL law and regulations. If the regulations are revised or if the law itself is amended, we will update this document. This document is not intended to be and should not be construed as legal advice. Employers are encouraged to consult employment law counsel for legal advice.

© 2020 Sun Life Assurance Company of Canada, Wellesley Hills, MA 02481. All rights reserved. Sun Life and the globe symbol are trademarks of Sun Life Assurance Company of Canada. Visit us at [www.sunlife.com/us](https://www.sunlife.com/us).