

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

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

<p><b>Paid Family &amp; Medical Leave</b></p> <ul style="list-style-type: none"> <li>• Currently no program</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Benefits:</b> paid job protected leave to: <ul style="list-style-type: none"> <li>○ Receive treatment for a serious medical condition</li> <li>○ Bond with a newborn or newly adopted child</li> <li>○ Care for family member with serious medical condition</li> <li>○ Care for family member injured while serving in the armed forces</li> <li>○ Handle matters arising from a family member's active duty service in the armed forces or call for deployment</li> </ul> </li> <li>• <b>Duration</b> <ul style="list-style-type: none"> <li>○ 16 weeks family leave</li> <li>○ 26 weeks medical leave</li> <li>○ 26 weeks aggregate/military</li> </ul> </li> <li>• <b>Wage Replacement</b> <ul style="list-style-type: none"> <li>○ 90% of employee's weekly wage up to cap</li> <li>○ Weekly benefit capped at \$1,000</li> </ul> </li> <li>• <b>Contributions</b> <ul style="list-style-type: none"> <li>○ Payroll tax of .63%, adjusted annually</li> <li>○ Employers cover 50% of premium</li> <li>○ No small business exemption</li> </ul> </li> <li>• <b>Employer Opt-Out:</b> none</li> <li>• <b>Effective Dates:</b> January 1, 2019</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Benefits:</b> paid, job protected leave to: <ul style="list-style-type: none"> <li>○ Receive treatment for a serious medical condition</li> <li>○ Bond with a newborn or newly adopted child</li> <li>○ Care for family member with serious medical condition</li> <li>○ Care for family member injured while serving in the armed forces</li> <li>○ Handle matters arising from a family member's active duty service in the armed forces or call for deployment</li> </ul> </li> <li>• <b>Duration:</b> <ul style="list-style-type: none"> <li>○ 12 weeks family leave</li> <li>○ 20 weeks medical leave</li> <li>○ 26 weeks aggregate/military</li> </ul> </li> <li>• <b>Wage Replacement</b> <ul style="list-style-type: none"> <li>○ 80% of employee's wage up to 50% of the State Avg. Weekly Wage (\$669.03)</li> <li>○ Then 50% of wages exceeding 50% of SAWW up to cap</li> <li>○ Weekly benefit capped at \$850</li> </ul> </li> <li>• <b>Contributions</b> <ul style="list-style-type: none"> <li>○ Payroll tax of .63%, adjusted annually</li> <li>○ Employees cover 100% of family leave and 40% of medical leave contribution</li> <li>○ Employers cover at least 60% for medical leave</li> <li>○ Employers with 25 or fewer employees not required to cover employer portion of contributions BUT are required to remit employee portion</li> </ul> </li> <li>• <b>Employer Opt-Out</b> <ul style="list-style-type: none"> <li>○ Business has option to provide private benefits program meeting requirements of the law.</li> <li>○ Private plan must be certified by the state</li> </ul> </li> <li>• <b>Effective Dates</b> <ul style="list-style-type: none"> <li>○ Family Leave: <ul style="list-style-type: none"> <li>▪ For care of child: 1/1/21</li> <li>▪ For family member with serious health condition: 7/1/21</li> </ul> </li> <li>○ Medical Leave: 1/1/21</li> <li>○ Military Family Leave: 1/1/21</li> </ul> </li> </ul>
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