

# Employer Requirements and Resources



**Employment  
Security  
Department**  
WASHINGTON STATE

Upcoming changes for employers in 2026 for  
Unemployment Insurance, Paid Leave and WA Cares

# Equal opportunity statement



The Employment Security Department is an equal opportunity employer/ program. Auxiliary aids and services are available upon request to individuals with disabilities. We provide free help in many languages. People who need hearing or speech help can dial 711 for the Washington Relay.



# Agenda



## 2026 updates:

- Unemployment Insurance
- Paid Family and Medical Leave
- WA Cares

## General information for employers

# Unemployment Insurance



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# Unemployment Insurance legislative changes



## Worker Adjustment and Retraining Notification (WARN) ESSB 5525 effective July 26, 2025

The state updated the state's Worker Adjustment and Retraining Notification (WARN) Act. The law:

- Applies to more organizations. It requires employers with 50 or more employees to provide 60 days' notice before a business closing or mass layoff.
- Creates penalties for employers who fail to provide the required notice, subject to certain expectations.

**IMPORTANT:** The state law varies in some ways from the federal WARN Act based on specific criteria. [Go to the Employment Security website to learn when the state WARN Act applies.](#)

# Unemployment Insurance legislative changes



## Benefits for striking or lockout workers ESSB 5041 effective January 1

As of January 1, 2026, workers in Washington state affected by a labor dispute, such as a strike or lockout, may be eligible to receive unemployment benefits under these conditions:

- **Strikes:** Workers who are on strike may be eligible to receive up to 6 weeks of benefits while the strike is in effect.
- **Lockouts:** Workers who are unemployed because of a lockout may be eligible for benefits for the duration of the lockout.

Under the new law passed in 2025, employers with workers who claim benefits during a dispute will pay 100% of benefits.

If a striking worker applies for unemployment benefits, we will send the employer a request for separation information (RSI).

We will process claims for striking workers who are eligible unless an employer gets a final judgement that a strike is prohibited by law. If a strike is prohibited:

- The employer needs to share the judgement with us.
- The worker will need to repay benefits received during the strike. We will send a letter about how to pay it back.

# Unemployment Insurance updates



Notify us in 30 days if you change your address effective July 7, 2025

You can find the [business change form on the Employment Security employer forms webpage](#).

Unemployment Insurance tax rates are mailed in December via the U.S. Postal Service.

When you get this notice, please update your unemployment filing software. Or provide a copy of this tax notice to your bookkeeper, CPR or third-party administrator (TPA) so your business uses the correct filing rate for 2026.

Employment Security account numbers

Starting in mid 2026, account numbers will be issued with 001 in the first three digits of the 12-digit number. Tax filers need to ensure their technical system configurations will accept the 12-digit number. This change may impact tax filers' databases, software validation rules, historical records reformatting, external system data exchange, saved templates or autofill settings.

Be sure to [sign up for our monthly employer newsletter](#) for timely updates and reminders about Unemployment Insurance resources and requirements for employers.

# Paid Family and Medical Leave



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# Annual changes



- Premium rate:
  - The premium rate will increase to **1.13%**.
  - Employers will pay **28.57%** of the total premium and employees will pay **71.43%**.
  - The Social Security Cap for 2026 was increased to **\$184,500**.
- Employer sizing was determined on Sept. 30 and if your size changed for 2026 you should have received a letter in October.
- The maximum weekly benefit amount for claims filed beginning in 2026 is **\$1,647**.

# Paid Family and Medical Leave policy changes



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# Job protection overview



## What is job protection?

Job protection means that a qualified employee's job must be restored upon returning from Paid Leave.

Eligible employees are entitled to:

- Restoration to their original job, or
- An equivalent job with the same pay, benefits, and working conditions
- If an employer does not follow this law an employee has rights to file an unlawful act complaint with the department and damages may be assessed.

# What is changing for 2026



Requirement	2025	2026
Employer size	50 or more employees	25* or more employees
Employment duration	12 months	180 days
Hours worked for employer	1,250 hours	No minimum hours needed
Job protection notice	N/A	All employers with job protected employees on leave will need to provide a notice to those employees with their expected return to work date after 14 days of leave have been taken
Continue healthcare coverage	Only if Paid Leave overlaps with FMLA	Available if you qualify for job protection
Combine FMLA and Paid Leave	Can use job protection concurrently	Employer can count FMLA time against Paid Leave job protection if combined job protection exceeds 16 weeks in 12 months.

# Job protection employer size updates



Year	Employer size
2025	50+ employees
2026	25+ employees
2027	15+ employees
2028 and beyond	8+ employees

For purposes of employment protection, employer size is determined by having the specified number of employees working each workday for at least twenty calendar workweeks, either in the current calendar year or in the preceding calendar year.

# Job protection stacking (optional)



- Paid Leave does not adjudicate applications based on previous use of FMLA.
- This could, in theory, result in up to 30 weeks of job protected leave if the maximum duration of both programs is utilized.
- 1213 offers employers the option to reduce Paid Leave job protection by an equal amount of previously taken FMLA if the total duration of job protection between both programs would exceed 16 weeks under both programs in a 12-month period.
- In order to retain this option, employers must supply a monthly notice to employees notifying them of the employer's intent to apply FMLA job protection to Paid Leave job protection.
- ESD will provide a template for this notice.

# Claim duration and health insurance continuation



## Minimum claim duration

The minimum claim duration for Paid Leave benefit eligibility is reduced from eight (8) consecutive hours to four (4) consecutive hours.

## Health insurance continuation

If an employee on Paid Leave is eligible for job protection, the employer must continue to offer health insurance benefits under the same circumstances that would apply if the employee had continued to work.

# Small business assistance grant changes



## Sized to have 150 or less employees

Employers are now eligible to *receive* 10 grants per year rather than *apply for* 10 grants to help cover the costs of employees on Paid Leave.

Employer agents with valid power of attorney(POA) on file may apply for grant(s) on behalf of an employers. The role for benefits will need to be completed to be able to apply for grants.

## Sized to have less than 50 employees

In addition to the above employers determined by the department to have fewer than 50 employees are no longer required to provide documentation to substantiate eligibility for a small business grant.

A written attestation is still required.

**The employer will be required to pay the employer's (in addition to the employees') share of all premiums for 12 consecutive quarters.**

# Paid Leave employer sizing



Size Purpose	2025	2026	Important Notes
<b>Premium assessment and grant eligibility</b>	Based on total number of reported employees on quarterly report, for the previous four quarters prior to Sept 30th.	Employers may optionally report the average number of employees as of the last day of each quarter. If an employer chooses not to provide this information, the department will apply the standard 2025 logic. The ability to report the number of employees as of the last day of the quarter will be coming later in 2026.	Sizing remains in place for the entire calendar year.  Employers are sent letters if size changes for next calendar year.
<b>Job protection</b>	Employees working each workday for twenty or more calendar workweeks; and The twenty calendar workweeks occur in the current calendar year or occurred in the preceding calendar year.	Employees working each workday for twenty or more calendar workweeks; and The twenty calendar workweeks occur in the current calendar year or occurred in the preceding calendar year.	Employer determined - ESD does not calculate this on behalf of employers.

# Layoffs and Paid Leave



- **SB 5525:** *an employer may not include an employee in an order of a mass layoff if the employee is currently on paid family or medical leave under Title 50A RCW.*
- More information will be published on our website by the end of the year.

# IRS guidance



- The Internal Revenue Service (IRS) has issued [new tax guidance](#) that will impact Washington state employers as well as individuals who receive paid medical leave benefits. The new rules begin Jan. 1, 2025.
- For tax years 2025 and 2026, Employment Security will not transfer federal tax liability associated with employees' benefit payments to Washington employers.
- The guidance also clarifies circumstances where employer-paid premium contributions should be included on W-2s. Employers should consult the guidelines or a tax professional for more information.

# WA Cares



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# Annual changes



The WA Cares premium rate is unchanged. It remains **.58%** of gross wages and is **not** capped at the taxable maximum for social security.

# Legislative and policy changes - WA Cares



Change	What employers need to know
<p><b>New voluntary (conditional) exemption: active-duty service member with off-duty civilian employment.</b></p>	<p>New exemption specific to active-duty service members of the US Armed Forces. This will function the same as other conditional exemptions.</p>
<p><b>Non-immigrant work visa holders are automatically exempt.</b></p>	<p>If you employ non-immigrant work visa holders, they no longer need to apply for an exemption for the department. They are now automatically exempt beginning Jan. 1, 2026. You will need to include them on wage reports and mark them as exempt.</p> <p>Non-immigrant work visa holders can choose to participate. They would need to inform you in writing. You would then withhold premiums and stop marking them as exempt on wage reports.</p> <p>Keep copies of their non-immigrant work visa and any written notification of wanting to take part in the program following employer retention requirements.</p>

# Legislative and policy changes - WA Cares



Change	What employers need to know
Rescinding permanent private long-term care insurance exemptions.	You might receive letters from your employees that they have discontinued their exemption. The letters will have an effective end date on them, and you will start withholding premiums and no longer mark them as exempt after that end date.
Expiration of the CBA provision.	<p>If employees are covered by a union contract that was active on October 19, 2017, and that contract has not expired, been renegotiated, or reopened, they must start paying premiums after December 31, 2025.</p> <p>Employers should begin withholding premiums for WA Cares in January 2026. When reporting for the first quarter of 2026 (in April), employers should no longer mark these employees as “exempt,” unless the employees have another approved exemption.</p>

# General information



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# Paid Leave and WA Cares new portal features



- **Contact information:** displays primary contact information along with an edit function
- **Account Alerts:** will display an alert if reports are missing along with the next report deadline.
- **Quick Actions:** displays four buttons and allows navigation directly to pages
- **Access:** displays SAW Username and Access Type.
- **More Services:** links to frequently used pages and services in portal.
- **Resources:** links to external websites that provide information about government services that may be useful.

The screenshot displays the 'Employer' portal for the Washington Employment Security Department. At the top, there is a navigation bar with links for Home, Payments, Manage Account, Wage Reporting, Benefit Claims, and More. The main content area is divided into several sections:

- Contact Information:** A table showing details for 'Timbus Integration Test Services L.C.', including Customer ID (C22226779), Primary Address (217 JOHNSON ST, SANTA FE, NM 87501 - 1828), Primary Email (test.account@esd.wa.gov), and Primary Phone (360-887-6309). An 'Edit' button is visible.
- Account Alerts:** A yellow banner with a warning icon stating 'You have 3 reports that are past due.' Below it, a blue banner indicates 'Your next report is due in 30 day(s) by 10/21/2025.' A 'Take Action' button is present.
- Quick Actions:** Four dark teal buttons: 'Submit Quarterly Wage Report', 'Make Payments', 'View Quarterly Report Status', and 'View Benefit Claims'.
- Access:** A table showing 'SAW Username' as 'Brittani' and 'Access Type' as 'Full Access'. Below are links for 'User Maintenance' and 'Manage Linked Agents'.
- More Services:** A list of links including 'Small Business Assistance Grant', 'Conditional Premium Waiver', 'Voluntary Plans', 'Paid Leave Payment Coupon', and 'WA Cares Payment Coupon'.
- Resources:** A row of icons and links for 'Paid Leave for Employers', 'WA Cares for Employers', 'Unemployment Reporting', and 'Employer Newsletter Signup'.

# Helpful tips for employers



- Keep your address updated!
- Sign up for our monthly Employer Newsletter: [Employer Newsletter Subscription](#)
- Get full access
  - Allows access to more information provided by the department
  - You can have multiple users and roles
  - Allows additional ways to communicate with the department regarding unemployment insurance benefits and the viewing of some of your employees' Paid Leave benefit information
- \*Full access is not a requirement for filing wage reports or submitting payments
- Visit our websites for more information:
  - [Employers – Washington State's Paid Family and Medical Leave](#), Updates Page [Updates – Washington State's Paid Family and Medical Leave](#)
  - [Employer requirements | Unemployment Insurance](#)
  - [Employer Information | WA Cares Fund](#)

# Contact us



## Unemployment Insurance

Employer Questions – Striking Worker

Phone: 877-504-5607

Employer Questions – WARN

[layoffassistance@esd.wa.gov](mailto:layoffassistance@esd.wa.gov)

Employer Tax Questions

[OlympiaAMC@esd.wa.gov](mailto:OlympiaAMC@esd.wa.gov)

## Paid Leave and WA Cares

All Employer Questions

[Email: paidleave@esd.wa.gov](mailto:paidleave@esd.wa.gov)

include “UBI” followed by your 9-digit UBI number or “BUSINESS” followed by your business name in the subject line

Phone: 833-717-2273

Follow the prompts to get to the “employer reporting, premiums and employer responsibilities” queue