

Location	Teleconference
Time	11:00 am – 11:30 am
Attendees (all on the phone)	Paid Family and Medical Leave Interim Director: John Mattes Employee's Interests Representative: Maggie Humphreys Employee's Interests Representative: Marilyn Watkins Employee's Interests Representative: Joe Kendo Employer's Interests Representative: Tammie Hetrick Employer's Interests Representative: Bob Battles Paid Family and Medical Leave Act Ombudsman: Edsonya Charles
Guests	PFML Interim Operations Manager: Leah Coberly PFML Data and Research Manager: Rebecca Grady PFML Business Systems Product Manager: Matt Buelow PFML Policy Manager: April Amundson
Members Absent	Employee's Interests Representative: Samantha Grad Employer's Interests Representative: Julia Gorton Employer's Interests Representative: Christine Brewer
Scribe	Linda Kleingartner

Introductions - Members introduced themselves.

Taxation of Benefits – John Mattes referenced the statutory language, prior work with the IRS, and the Department's considerations given no federal guidance was provided. Slide 7 of the presentation outlined how other states are handling, while none are exact to Washington state, John noted Rhode Island is closest.

Plan is to issue a 1099G to customers who received family leave benefit payments, believing this is the likeliest outcome if the IRS issues guidance. The Department plans to send the 1099G forms to participants by the 1/31/2021 deadline and also a data file transfer to the IRS. The Department's intends to include a letter with the 1099 mailing (still to be designed).

Edsonya Charles asked what is planned for those that do not have a SSN, also noting her earlier request to have a disclaimer posted on the website that the taxability of these benefits is unknow (which was declined.) Matt Buelow explained the team is still working through this detail.

In response to John's inquiry for ideas on the external communications, the Advisory Committee offered the following:

- Consider including information regarding the medical benefits payments.
- State the IRS has not made a determination on whether these benefits are taxable.
- There is a potential for taxation on benefits paid.
- Consult your accountant or CPA for guidance.
- Since some people receiving benefits do not have tax consultants, please do proactive outreach to supporting agencies, like United Way.

- Add regular communications on this topic on the weekly claim process and on the Paid Family and Medical Leave webpage.
- A broad general communication should go out in 2020, in addition to the letter that would accompany the 1099G.
- Consider having the letter available in multiple languages.
- Anticipate there will be a lot of questions in response to the letter and equip the Customer Care Team to be ready to respond.
- Provide this information on the website and other appropriate communication modes.
- If / when we receive a statement from the IRS, new letters should be sent out, or at a minimum, updates on the website and possible social media.

Action Item: Send the draft letter(s) to the Advisory Committee for comment.

Next Meeting: Thursday, November 19, 10:00 am - Noon | This meeting will be held via WebEx.