

## **DELEO SEEKS PAYROLL TAX "CLARITY" BEFORE BACKING PAID LEAVE DELAY**

House Speaker Robert DeLeo said early Thursday evening that he is open to delaying implementation of the paid family and medical leave law passed last summer, but first wants to understand Gov. Charlie Baker's proposed increase to the payroll tax rate that will fund the \$800 million worker benefit program.

The statement from the speaker's office opened the door a little wider on the behind-the-scenes negotiations that have been ongoing since Wednesday after DeLeo called it "[very doubtful](#)" that a delay would get done in time. Businesses and labor leaders have requested a three-month delay to give employers more time to prepare and educate employees, but Baker said Monday that a bill had to be done this week to allow employers to prepare.

Leaders in both legislative branches and the governor's office have been [discussing the idea](#) of issuing a joint statement collectively backing a delay to give businesses certainty, while also buying more time to put the details into a bill that can pass.

Both Baker and Spilka said Thursday they support a delay, but Baker has said his administration is ready to roll out the program if required.

"The House has not closed the door on a delay to PFML implementation," DeLeo spokeswoman Catherine Williams said in a statement to the News Service. "Speaker DeLeo's office has sought additional information from the Administration – particularly regarding their proposed increase to the assessment – and eagerly awaits that clarity to help determine future impacts on workers, businesses and the economy."

Williams did not provide any further details, but Baker administration officials confirmed that they have proposed to increase the payroll tax from .63 percent to .75 percent, if it goes into effect on Oct. 1 instead of July 1.

The increase, officials said, would result in the same amount of money being collected from employers and employees, but over a shorter period of 15 months instead of 18 months.

Benefits under the paid family and medical leave law are set to become available to workers beginning in January 2021.

Unless those benefits are also delayed, the administration said the new Department of Family and Medical Leave must still make sure that the trust fund to pay the benefits has a balance equal to 140 percent of the benefits expected to be taken by Dec. 30, 2020. - Matt Murphy/SHNS