

August 25, 2021

The Honorable Governor Jay Inslee Office of the Governor PO Box 40002 Olympia, WA 98504

RE: Request to delay implementation of the Washington State Long-Term Care Act

Dear Governor Inslee,

In response to the concerns of our members, the Tri-City Regional Chamber of Commerce is requesting an implementation delay of the Long-Term Care Act. Now is not the right time to implement a new tax and place this added burden on workers - especially while dealing with the resurgence of COVID-19, which adds great uncertainty and stress to employers and employees alike.

A few of the many concerns voiced by our members include:

- The inability to opt out before November 1, 2021, due to the lack of existing long-term care insurance options.
- The inability for new workers who move to Washington or those newly entering the workforce to opt out after November 1, 2021.
- Out-of-state residents who work in Washington must pay the tax, though they will never be eligible for the benefit unless they move to Washington.
- The Office of the State Actuary has said the program as written will be \$15B short. We are concerned what next steps the legislature will take to make this program whole. Further tax increases and larger cuts into workers' wages seems inevitable.
- Employers must act as a collection agent for the state and must maintain records of employees who optout by the state's deadline.
- The rules and process for opting out are still not available to workers or employers.

For these reasons and others, the Tri-City Regional Chamber of Commerce urges you to put a hold on the implementation of the Long-Term Care Act in order to address these concerns and until the COVID-19 resurgence has subsided.

Thank you for your consideration.

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Sincerely,

Lori Mattson, IOM President & CEO, TCRCC Jim Arneson

Chair, Local Government Affairs Committee