



September 9, 2021

The Honorable Jay Inslee
Governor of Washington State
PO Box 40002
Olympia WA 98504-0002

Dear Governor Inslee,

The businesses and organizations representing industry, local governments and labor unions across the state, listed below, urge you to convene bipartisan legislative leadership to discuss addressing the following concerns with the Long-Term Services and Supports Trust (LTSST). We appreciate and respect that the program was put in place to address the need for long-term care in the state of Washington. We are concerned that the following key issues make the program extremely problematic, and they must be addressed prior to implementation of the payroll tax on Jan. 1, 2022.

- There is no clear definition of which long-term care products qualify for the opt-out.
- Near-term retirees and Washington state workers who live in border states will be required to pay into the program without ever realizing a benefit.
- The opt-out process will not be operational in time for Washington residents who have long-term care coverage to avoid paying the payroll tax beginning Jan. 1, 2022.
- Securing long-term care coverage has been extremely difficult for Washington state residents for the following reasons:
 - The purchase by date for long-term care coverage, Nov. 1, 2021, did not provide enough time for people to secure coverage, which in turn caused a collapse in the long-term care market forcing carriers to suspend sales due to the high volume of requests.
 - There is not a recertification process included in the opt-out provision allowing people to secure long-term care coverage for opt-out purposes and cancel coverage once the lifetime opt-out authorization has been received.

In 2019, the Legislature established the LTSST, which provides up to \$36,500 in lifetime benefits for eligible beneficiaries to apply to the cost of their long-term care. The LTSST program is funded through a 0.58 percent premium assessment on an employee's wages. The premium assessment begins Jan. 1, 2022, and eligible beneficiaries may begin receiving benefits on Jan. 1, 2025.

Changes to the establishing legislation over the last two legislative sessions have created a program that is unclear, insolvent, and does not address the actual long-term care needs of all Washington state residents. The below listed businesses and organizations representing industry, local governments, and labor unions across the state support the goal of giving Washington residents options to provide for long-term care. However, the current status of the LTSST program does not provide options but instead creates obstacles. We encourage you to convene bipartisan legislative leadership to discuss and consider pausing the implementation of collection of the payroll tax beginning Jan. 1, 2022, so that the listed concerns can be addressed, and a program can be developed that provides options to Washingtonians.

Sincerely,

Association of Washington Business
Associated Builders and Contractors
American Council of Engineering
Companies Washington State
Alaska Airlines
Amazon
Associated General Contractors of WA
Association of Washington Cities
Bank of the Pacific
Battelle
Bellingham Regional Chamber of
Commerce
Building Industry Association of
Washington
BP
Brentwood Growth Partners
Bristol Myers Squibb
Broadband Communications Association of
Washington
Bryant Christie Inc.
Burlington Chamber of Commerce
Christensen Inc
Cosmetologists United
Cowlitz PUD
Davis Communications Inc.
Delta Air Lines, Inc.
Dick's Drive-In Restaurants
Dirty Dave's Pizza Parlor
Drug Free Business
Employer Solutions Law
Enumclaw Area Chamber of Commerce
Ephrata Chamber of Commerce
Evergreen Memorial Gardens
FASTSIGNS of Lacey - Olympia
Fife Milton Edgewood Chamber
Financial Assistance, Inc.
First Fed
Foster Farms

Furuno USA, Inc.
Google
Greater Grays Harbor, Inc.
Greater Issaquah Chamber of Chambers
Greater Lake Stevens Chamber of
Commerce
Greater Newcastle Chamber of
Commerce
Greater Oak Harbor Chamber of
Commerce
Greater Spokane Incorporated
Greater Spokane Valley Chamber of
Commerce
Greater Vancouver Chamber
Greater Yakima Chamber of Commerce
Green Diamond Resource Company
HomeStreet Bank
Identity Clark County
Infusion Bar and Grill
Inland Empire Paper
Inland Northwest AGC
Inland Northwest Society for Human
Resource Management
Inland Power & Light
Inland Tarp & Cover LLC
Inland Tarp & Liner, Inc.
International Union of Operating
Engineers, Local 302
Iron Workers District Council of the
Pacific Northwest
Iron Workers Local 86
ITC Services, Inc.
Janicki Industries
Joshua Green Corporation
Kelso-Longview Chamber of Commerce
Kent Chamber of Commerce
KeyBank
Kittitas County Chamber of Commerce

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Lacey South Sound Chamber & Visitors
Center
Lake Chelan Chamber of Commerce
Lakewood Chamber of Commerce
Lemmons Trucking, Inc.
Lewis Clark Valley Chamber of Commerce
Magnolia Chamber of Commerce
Maple Valley Black Diamond Chamber
of Commerce
Mechanical Contractors Association of
Western Washington
Microsoft
Moses Lake Chamber of Commerce
Mount Vernon Chamber of Commerce
Mukilteo Chamber of Commerce
Nintendo of America Inc.
Nordstrom
North Mason Chamber of Commerce
Northwest Marine Trade Association
Nunn Design
Northwest Carpenters Union
Olympia Federal Savings
OneRedmond
PACCAR
Pacific Fibre Products, Inc.
PacifiCorp
PEMCO Insurance
Phoenix Protective Corp./PPC Solutions, Inc.
Pioneer Square Labs
Premera
Premier Airport Shuttle by Capital Aeroporter
Puget Sound Energy
Pullman Chamber of Commerce
Puyallup Sumner Chamber of Commerce
Quincy Valley Chamber of Commerce
Renton Chamber of Commerce
Retail Lockbox
Right at Home Northwest
Rowley Properties, Inc.
Russell Investments
Saltchuk
Schweitzer Engineering Laboratories

Scotsman Guide, Inc.
Seagen, Inc.
Seattle Hospitality Group
Seattle Metro Chamber of Commerce
Seattle Southside Chamber
Sedro-Woolley Chamber of Commerce
Senske Services
Shelton-Mason County Chamber of
Commerce
Sierra Pacific Industries
Silverdale Chamber of Commerce
Skamania County Chamber of Commerce
Sky Valley Chamber of Commerce
SnoValley Chamber of Commerce
Souers Custom Plastics and Print
Sound Benefit Plans
South Kitsap Chamber of Commerce
Spray Center Electronics, Inc.
Stilly Valley Chamber of Commerce
Summit Group Solutions
Sunset Air Inc.
Symetra
The Avista Corporation
The UPS Store, Moses Lake
Thurston County Chamber
Tidewater Barge Lines, Inc.
Tidewater Environmental Services
Tidewater Terminal Company
Tri City Regional Chamber of Commerce
Tyson Foods, Inc.
United Association of Plumbers, Pipefitters,
and Sprinkler Fitters
WA and Northern ID District Council of
Laborers
Wagstaff, Inc.
Washington Aggregates & Concrete
Association
Washington Alarm, Inc.
Washington Association of Sewer &
Water Districts
Washington Association of Wheat Growers
Washington Bankers Association

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Washington Cattlemen's Association
Washington Farm Bureau
Washington Food Industry Association
Washington Hospitality Association
Washington Movers Conference
Washington Potato & Onion Association
Washington PUD Association
Washington Retail Association
Washington Roundtable
Washington State Association of the
United Association of the Plumbing and
Pipefitting Industry of the United
States and Canada
Washington State Building and
Construction Trades Council, AFL-CIO
Washington State Council of County and City
Employees
Washington State Dairy Federation
Washington State Dental Association
Washington Trucking Associations
Washington Trust Bank
Waste Management of Washington
Wenatchee Valley Chamber of
Commerce
West Plains Chamber of Commerce
West Seattle Chamber of Commerce
Windermere
Witherspoon Kelley
Woodinville Chamber
Zipty Fiber
ZoomCare