

[COMPANY LETTERHEAD]

MEMORANDUM

To: All Washington Employees

From: [Insert Client Contact]

Date: [Date]

Re: New Upcoming Payroll Deduction – Washington Cares Fund

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In 2019, Washington passed the Cares Fund Act which established the first state-run long-term insurance program. Beginning **July 1, 2023**, you may notice an additional withholding from your paycheck. **The company will start making additional withholdings from paychecks for the Washington Cares Fund as required by law.** The rate of the deduction will be initially capped at 0.58%.

If you live outside of the State of Washington, are the spouse or registered domestic partner of an active-duty service member of the United States armed forces, have non-immigrant work visas or are veterans with a 70% service-connected disability rating or higher, you may apply for an exemption from the state. Employees can apply for an exemption [HERE](#).

Eligible employees are expected to be able to apply for benefits under the Cares Fund beginning July 1, 2026. The Cares Fund will provide access to funds of up to \$36,000 (adjusted annually for inflation) over their lifetime to pay for long-term care services that would allow individuals to remain in their homes longer, rather than to move to an assisted living facility. Anticipated services to be covered include help with daily activities like bathing, eating, dressing, taking medication and bathroom assistance.

For more information about the deduction, please reach out to your manager or Human Resources Department.