Commission to Develop A Paid Family and Medical Leave Benefits Program For Review November 29, 2022

Program Design Recommendations for Commission's Proposal for a Paid Family and Medical Leave Benefits Program

(Italics – discussions but decision not yet made by the Commission)

Program Design Question	Commission Recommendation (By consensus or straw vote)
What purposes can leave be used for?	 Adopt same purposes for leave that are permissible for federal FMLA: <u>And</u> also include safe leave
Who is covered?	Include all workers—full-time, part-time, temporary and seasonal workers
Are public sector workers automatically covered?	• Public employers may choose a substantially equivalent private plan (same as private employers).
Can self-employed workers opt in to coverage?	• Yes, allow self-employed workers to opt in
What are the requirements to qualify for benefits? e.g. minimum level of earned wages or period of time as an employee?	 Lookback for prior 4 Quarters All employers for portability \$ Amount or no. of hours to be determined
What family members are covered?	 Adopt same definition of family member as in state FMLA law And also include affinity relationships
Are employees who have children born, adopted, or fostered prior to effective date of PFML benefits eligible to take bonding leave? Are there any limits to that eligibility?	• Clean start date (<i>penciled in</i>)
How is the program funded? What level of contributions are required from employers and employees?	 Require employers with ≥15 employees and employees to contribute to program costs based on percentage of wages 25/75 and 50/50 (employer/employee) for modelling purposes (1% is desired maximum amount of total contribution)
What is the wage base to be used for determining contributions? Use Social Security maximum wage limit or unlimited wages?	TBD; contribution rates will be developed for both scenarios

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Are small employers with fewer than 15 employees exempt from making contributions?	• Yes
What percentage of wages do workers receive? Flat or tiered benefit structure?	• 80, 90, 100% wage replacement (flat)
What is the maximum weekly benefit? Is the state average weekly wage? Or lower or higher?	• Up to 100%, 120% state average weekly wage
For how long can a worker receive benefits? Are there specified maximum benefit periods for different types of leave? Is there a combined maximum benefit period?	• 16 or18 week total maximum being considered (no commission decision yet)
Is there an unpaid 7-day waiting period? Or no waiting period?	• 7-day medical waiting period (straw vote 7-1)
Are workers entitled to have their jobs back when they return?	 Address this issue through provisions in current federal and state FMLA laws Do not include explicit language in any PFML legislation
Is an employer allowed to use an equivalent or more generous private insurance plan to provide the benefit?	• Yes, allow a private plan option that is substantially equivalent
How is the benefit provided? What is the organization and structure for administering the benefit?	 Simple Robust financial review and audit process Data collection
Will employees be allowed to take intermittent leaves of absence? If so, are there minimum increments (e.g., 4 hours, 8 hours, etc.)	• Estimated contribution rates assume intermittent leaves can be taken