

**Summary of Main Provisions of Parental and Family Leave Insurance Program
in H.196 as passed House**

Eligibility and Coverage:

- An employee that is eligible for unemployment insurance is covered under the program but cannot receive benefits until he or she has been employed in Vermont for 12 of the past 13 months.
- Applies to all employers in Vermont.
- Provides benefits for a leave of absence from employment for:
 - the serious illness of the employee's child, stepchild or ward who lives with the employee, foster child, parent, grandparent, sibling, spouse, or parent of the employee's spouse; or
 - parental and bonding leave, which includes:
 - the birth of the employee's child;
 - the placement of a child no older than 16 for adoption or foster care; or
 - the birth of a grandchild if (1) the employee is the primary caregiver or guardian and (2) the biological parents are not using Parental and Family Leave Insurance benefits for the birth.
- **Does not** provide benefits for a leave of absence for the employee's own serious illness.

Funding:

- Funded by a 0.141% deduction from the first \$150,000 of each employee's wages, which an employer may elect to pay on behalf of its employees.
 - The General Assembly will annually amend the contribution rate based on recommendation of Commissioner of Labor, which takes into account projected benefits and administrative costs for the coming year, maintenance of a reserve, and the balance of the Parental and Family Leave Insurance Special Fund.

Benefits:

- Weekly benefits are equal to 80% of an employee's average weekly wages or 40 hours/week at 2x the Vermont livable wage, whichever is less.
 - Benefits will be subject to income tax.
- Up to six weeks of Parental and Family Leave Insurance benefits may be used in a 12-month period.
- Department of Labor will process requests for benefits and administer the Program

Effective Dates:

- Program takes effect July 1, 2017, contributions begin to be collected July 1, 2018, and Parental and Family Leave Act is amended and benefits become available October 1, 2019.