| Key | : |
|-----|---|
|     |   |

Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

| Section Number as<br>Passed House | As Passed House   | As Passed Senate  | Committee of Conference Report  |
|-----------------------------------|---|---|---|
| 1.                                | Purpose   | Same  | Same  |
| 2.                                | 21 V.S.A. chapter 5, subchapter 13. Family and Medical Leave Insurance  | Same  | Same  |
| § 571.                            | § 571. DEFINITIONS  | § 571. DEFINITIONS  | § 571. DEFINITIONS  |
|                                   | As used in this subchapter:   | As used in this subchapter:   | As used in this subchapter:   |
|                                   | (1) "Average weekly wage" means the employee's total  | (1) "Average weekly wage" means the employee's total  | (1) "Average weekly wage" means the employee's total  |
|                                   | wages from his or her two highest-earning quarters in the last  | wages from his or her two highest-earning quarters in the last  | wages from his or her two highest-earning quarters in the last  |
|                                   | four completed calendar quarters divided by 26.   | four completed calendar quarters divided by 26.   | four completed calendar quarters divided by 26.   |
|                                   | (2) "Bonding leave" means a leave of absence from   | (2) "Bonding leave" means a leave of absence from   | (2) "Bonding leave" means a leave of absence from   |
|                                   | employment by an employee for:  | employment by an employee for:  | employment by an employee for:  |
|                                   | (A) the employee's pregnancy;   | (A) the employee's pregnancy;   | (A) the employee's pregnancy;   |
|                                   | (B) the birth of the employee's child; or   | (B) the birth of the employee's child; or   | (B) the birth of the employee's child; or   |
|                                   | (C) the initial placement of a child 18 years of age or   | (C) the initial placement of a child 18 years of age or   | (C) the initial placement of a child 18 years of age or   |
|                                   | younger with the employee for the purpose of adoption or foster   | younger with the employee for the purpose of adoption or foster   | younger with the employee for the purpose of adoption or foster   |
|                                   | care.   | <u>care.</u>  | <u>care.</u>  |
|                                   | (3) "Domestic partner" has the same meaning as in 17  | (3) "Domestic partner" has the same meaning as in 17  | (3) "Domestic partner" has the same meaning as in 17  |
|                                   | <u>V.S.A. § 2414.</u>   | <u>V.S.A. § 2414.</u>   | <u>V.S.A. § 2414.</u>   |
|                                   | (4) "Employee" means an individual who receives   | (4) "Employee" means an individual who receives   | (4) "Employee" means an individual who receives   |
|                                   | payments with respect to services performed for an employer   | payments with respect to services performed for an employer   | payments with respect to services performed for an employer   |
|                                   | from which the employer is required to withhold Vermont   | from which the employer is required to withhold Vermont   | from which the employer is required to withhold Vermont   |
|                                   | income tax pursuant to 32 V.S.A. chapter 151, subchapter 4.   | income tax pursuant to 32 V.S.A. chapter 151, subchapter 4.   | income tax pursuant to 32 V.S.A. chapter 151, subchapter 4.   |
|                                   | (5) "Employer" means an individual, organization,   | (5) "Employer" means an individual, organization,   | (5) "Employer" means an individual, organization,   |
|                                   | governmental body, partnership, association, corporation, legal   | governmental body, partnership, association, corporation, legal   | governmental body, partnership, association, corporation, legal   |
|                                   | representative, trustee, receiver, trustee in bankruptcy, and any   | representative, trustee, receiver, trustee in bankruptcy, and any   | representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air, or express company |
|                                   | common carrier by rail, motor, water, air, or express company doing business in or operating within this State. | common carrier by rail, motor, water, air, or express company doing business in or operating within this State. | doing business in or operating within this State.   |
|                                   | (6) "Family member" means the employee's:   | (6) "Family care leave" means a leave of absence from   | (6) "Family care leave" means a leave of absence from   |
|                                   | (A) child, step child or ward who lives with the  | employment by an employee for a serious illness of the  | employment by an employee for a serious illness of the  |
|                                   | employee, or foster child;  | employee's family member.   | employee's family member.   |
|                                   | (B) spouse, domestic partner, or civil union partner;   | (7) "Family member" means:  | (7) "Family member" means:  |
|                                   | (C) parent or the parent of the employee's spouse,  | (A) the employee's child or foster child;   | (A) the employee's child or foster child;   |
|                                   | domestic partner, or civil union partner;   | (B) a step child or ward who lives with the employee;   | (B) a step child or ward who lives with the employee;   |
|                                   | (D) grandchild;   | (C) the employee's spouse, domestic partner, or civil   | (C) the employee's spouse, domestic partner, or civil   |
|                                   | (E) grandparent; or   | union partner;  | union partner;  |
|                                   | (F) a child for whom the employee stands in loco  | (D) the employee's parent or the parent of the  | (D) the employee's parent or the parent of the  |
|                                   | parentis or an individual who stood in loco parentis for the  | employee's spouse, domestic partner, or civil union partner;  | employee's spouse, domestic partner, or civil union partner;  |
|                                   | employee when he or she was a child.  | (E) the employee's sibling:   | (E) the employee's sibling;   |
|                                   | (7) "In loco parentis" means a child for whom the   | (F) the employee's grandparent;   | (F) the employee's grandparent;   |
|                                   | employee has day-to-day responsibilities to care for and  | (G) the employee's grandchild; or   | (G) the employee's grandchild; or   |
|                                   | financially support, or, in the case of the employee, an  | (H) a child for whom the employee stands in loco  | (H) a child for whom the employee stands in loco  |
|                                   | individual who had such responsibility for the employee when  | parentis or an individual who stood in loco parentis for the  | parentis or an individual who stood in loco parentis for the  |
|                                   | he or she was a child.  | employee when he or she was a child.  | employee when he or she was a child.  |

| <u>(8)</u> | "Medical      | <u>leave"</u> | means   | a leave c | of absence   | <u>from</u> |
|------------|---------------|---------------|---------|-----------|--------------|-------------|
| employm    | ent by an e   | employ        | ee for: |           |              |             |
|            | (1) 12:00 000 | 10000 000     |         | :11       | لمماء المحسم | 1           |

- (A) his or her own serious illness, provided he or she is not eligible to receive workers' compensation pursuant to 21 V.S.A. chapter 9 for the serious illness; or
  - (B) a serious illness of the employee's family member;
  - (9) "Qualified employee" means an employee who has:
- (A) earned wages in at least six months during the last four completed calendar quarters; and
- (B) earned wages during the last four completed calendar quarters in an amount that is equal to or greater than 1,040 hours at the minimum wage established pursuant to section 384 of this chapter.
- (10) "Serious illness" means an accident, disease, or physical or mental condition that:
  - (A) poses imminent danger of death;
  - (B) requires inpatient care in a hospital; or
- (C) requires continuing in-home care under the direction of a physician.
- (11) "Vermont's weekly livable wage" means a 40-hour workweek paid at the rate of the livable wage determined by the Joint Fiscal Office pursuant to 2 V.S.A. § 505.
- (12) "Wages" means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.

### § 572. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; ADMINISTRATION

- (a) The Family and Medical Leave Insurance Program is established in the Department of Labor for the provision of Family and Medical Leave Insurance benefits to eligible employees pursuant to this section.
- (b)(1) The Commissioner of Financial Regulation shall endeavor to identify and contract with a suitable insurance company to provide paid family and medical leave insurance in accordance with this subchapter.
- (2)(A) On or before July 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for information related to the provision of family and medical leave insurance by a private insurance carrier on behalf of the State that satisfies the requirements of this

(8) "In loco parentis" means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

- (9) "Medical leave" means a leave of absence from employment by an employee for his or her own serious illness.
  - (10) "Qualified employee" means an employee who has:
- (A) earned wages from which contributions were withheld pursuant to sections 573 and 574 of this subchapter during at least two of the last four completed calendar quarters; and
- (B) earned wages from which contributions were withheld pursuant to sections 573 and 574 of this subchapter during the last four completed calendar quarters in an amount that is equal to or greater than 1,040 hours at the minimum wage established pursuant to section 384 of this chapter.
- (11) "Serious illness" means an accident, disease, or physical or mental condition that:
  - (A) poses imminent danger of death;
  - (B) requires inpatient care in a hospital; or
- (C) requires continuing in-home care under the direction of a physician.
- (12) "Vermont average weekly wage" means the most recent average weekly wage for Vermont as calculated by the U.S. Bureau of Labor Statistics.
- (13) "Wages" means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.

## § 572. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; ADMINISTRATION

- (a) The Family and Medical Leave Insurance Program is established in the Department of Labor for the provision of Family and Medical Leave Insurance benefits to eligible employees pursuant to this section.
- (b)(1) The Commissioner of Financial Regulation shall endeavor to identify and contract with a suitable insurance company to provide paid family and medical leave insurance in accordance with this subchapter.

(2)(A) On or before July 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for information related to the provision of family and medical leave insurance by a private insurance carrier on behalf of the State that satisfies the requirements of this

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- (8) "In loco parentis" means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.
- (9) "Medical leave" means a leave of absence from employment by an employee for his or her own serious illness.
  - (10) "Qualified employee" means an employee who has:
- (A) earned wages from which contributions were withheld pursuant to sections 573 and 574 of this subchapter during at least two of the last four completed calendar quarters; and
- (B) earned wages from which contributions were withheld pursuant to sections 573 and 574 of this subchapter during the last four completed calendar quarters in an amount that is equal to or greater than 675 hours at the minimum wage established pursuant to section 384 of this chapter.
- (11) "Serious illness" means an accident, disease, or physical or mental condition that:
  - (A) poses imminent danger of death;
  - (B) requires inpatient care in a hospital; or
- (C) requires continuing in-home care under the direction of a physician.
- (12) "Vermont average weekly wage" means the most recent average weekly wage for Vermont as calculated by the U.S. Bureau of Labor Statistics.
- (13) "Wages" means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.
- § 572. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; ADMINISTRATION
- (a) The Family and Medical Leave Insurance Program is established in the Department of Labor for the provision of Family and Medical Leave Insurance benefits to eligible employees pursuant to this section.
- (b)(1) The Commissioner of Financial Regulation shall endeavor to identify and contract with a suitable insurance carrier to provide paid family and medical leave insurance in accordance with this subchapter.
- (2)(A) Within 45 calendar days after the effective date of this section, but in no event later than July 1, 2020, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for information related to the provision of family and medical leave insurance by a private

- subchapter. The request for information shall also seek input regarding the cost and administrative feasibility of the insurance carrier administering the collection of contributions on behalf of the Department of Taxes pursuant to section 574 of this subchapter.
- (B) Responses to the request for information shall be due on or before August 15, 2019.
- (3) On or before September 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter. An insurance carrier shall not be selected unless it can demonstrate that it would be able to provide the required family and medical leave insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State.
- (4) The Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall evaluate the proposals received in response to the request for proposals and shall select, on or before November 15, 2019, the proposal that the Commissioner determines:
  - (A) best satisfies the requirements of this subchapter;
- (B) will provide the required family and medical leave insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State; and
- (C) delivers the greatest value to the State and Vermont's employees and employers.
- (5) An agreement with an insurance carrier to provide family and medical leave insurance pursuant to this subsection shall include a clause that permits the Commissioner of Financial Regulation to terminate the agreement for noncompliance with this chapter.
- (6)(A) An agreement with an insurance carrier pursuant to this subsection shall be for a period of not more than four years.
- (B) Not later than six months prior to the expiration on the agreement pursuant to this subsection, the Commissioner of Financial Regulation shall determine whether to renew the agreement for an additional period of not more than four years

- subchapter. The request for information shall also seek input regarding the cost and administrative feasibility of the insurance carrier administering the collection of contributions on behalf of the Department of Taxes pursuant to section 574 of this subchapter.
- (B) Responses to the request for information shall be due on or before August 15, 2019.
- (3) On or before September 1, 2019, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop and issue a request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter. An insurance carrier shall not be selected unless it can demonstrate that it would be able to provide the required insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State.
- (4) The Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall evaluate the proposals received in response to the request for proposals and shall select, on or before November 15, 2019, the proposal that the Commissioner determines:
  - (A) best satisfies the requirements of this subchapter;
- (B) will provide the required insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State; and
- (C) delivers the greatest value to the State and Vermont's employees and employers.
- (5) An agreement with an insurance carrier to provide family and medical leave insurance pursuant to this section shall include provisions that:
- (A) permit the Commissioner of Financial Regulation to terminate the agreement for noncompliance with this chapter; and
- (B) in the event the General Assembly enacts legislation providing for mandatory coverage for medical leave, require the Commissioner of Financial Regulation and the insurance carrier to reopen the agreement to make any amendments that are necessary to ensure that the agreement complies with the requirements of the legislation.

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- insurance carrier on behalf of the State that satisfies the requirements of this subchapter. The request for information shall also seek input regarding the cost and administrative feasibility of the insurance carrier administering the collection of contributions on behalf of the Department of Taxes pursuant to section 574 of this subchapter.
- (B) Responses to the request for information shall be due 45 calendar days after the request for information is issued.
- (3)(A) The Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall develop a request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter. The request for proposals shall be issued 15 calendar days after the date on which responses to the request for information are due.
- (B) An insurance carrier shall not be selected unless it can demonstrate that it would be able to provide the required insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State.
- (4) Not more than 75 calendar days after the request for proposals is issued, the Commissioner of Financial Regulation, in consultation with the Commissioners of Human Resources, of Labor, and of Taxes, shall evaluate the proposals received in response to the request for proposals and shall select the proposal that the Commissioner determines:
  - (A) best satisfies the requirements of this subchapter;
- (B) will provide the required insurance benefits and comply with the provisions of this subchapter in a more cost-effective manner than if the Family and Medical Leave Insurance Program were administered by the State; and
- (C) delivers the greatest value to the State and Vermont's employees and employers.
- (5) An agreement with an insurance carrier to provide family and medical leave insurance pursuant to this section shall include provisions that:
- (A) permit the Commissioner of Financial Regulation to terminate the agreement for noncompliance with this chapter; and
- (B) in the event the General Assembly enacts
  legislation providing for mandatory coverage for medical leave,
  require the Commissioner of Financial Regulation and the
  insurance carrier to reopen the agreement to make any

| or to issue a new request for proposals for an insurance carrier to |
|---|
| provide family and medical leave insurance that satisfies the       |
| requirements of this subchapter.                                    |

- (c)(1) In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance carrier pursuant to subsection (b) of this section, the Paid Family and Medical Leave Insurance Program shall be administered by the Department of Labor pursuant to the provisions of this subchapter.
- (2) In the event that the Paid Family and Medical leave Insurance Program is administered by the Department of Labor, the Commissioner of Labor may contract with a third-party administrator for actuarial support, fund administration, the processing of benefits claims and payments, and the initial determination of appeals.

- (6)(A) An agreement with an insurance carrier pursuant to this subsection shall be for a period of not more than four years.
- (B) Not later than six months prior to the expiration of the agreement pursuant to this subsection, the Commissioner of Financial Regulation shall determine whether to renew the agreement for an additional period of not more than four years or to issue a new request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter.
- (7) The insurance carrier shall have its books and financial records related to the provision of family and medical leave insurance pursuant to this subchapter audited annually and shall provide a copy of the annual audit to the Commissioner of Financial Regulation.
- (c)(1) In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance carrier pursuant to subsection (b) of this section, the Paid Family and Medical Leave Insurance Program shall be administered by the Department of Labor pursuant to the provisions of this subchapter.
- (2) In the event that the Paid Family and Medical leave Insurance Program is administered by the Department of Labor, the Commissioner of Labor may contract with one or more third-party administrators for actuarial support, Program and fund administration, the processing of benefits claims and payments, and the initial determination of appeals.

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

amendments that are necessary to ensure that the agreement complies with the requirements of the legislation.

- (6)(A) An agreement with an insurance carrier pursuant to this subsection shall be for a period of not more than four years.
- (B) Not later than six months prior to the expiration of the agreement pursuant to this subsection, the Commissioner of Financial Regulation shall determine whether to renew the agreement for an additional period of not more than four years or to issue a new request for proposals for an insurance carrier to provide family and medical leave insurance that satisfies the requirements of this subchapter.
- (7)(A) The insurance carrier shall have its books and financial records related to the provision of family and medical leave insurance pursuant to this subchapter audited annually. The audit shall also include detailed information regarding the number of claims submitted broken down by the type of leave, the average duration of benefits provided for each type of leave, the number of claims that were denied, the number of claim denials that were overturned on appeal, and any changes in those amounts in comparison to the prior year.
- (B) The insurance carrier shall provide a copy of the annual audit to the Commissioner of Financial Regulation, who shall review the audit and, not later than 30 calendar days after receiving the audit, submit a detailed summary to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and to the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.
- (c)(1) In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance carrier pursuant to subsection (b) of this section, the Paid Family and Medical Leave Insurance Program shall be administered by the Department of Labor pursuant to the provisions of this subchapter.
- (2) In the event that the Paid Family and Medical leave Insurance Program is administered by the Department of Labor, the Commissioner of Labor may contract with one or more third-party administrators for actuarial support, Program and fund administration, the processing of benefits claims and payments, and the initial determination of appeals.

#### § 572a. NOTICE

(a) An employer shall post and maintain in a conspicuous place in and about each of its places of business printed notices

year, and, if a reserve is necessary, to ensure that it is adequately

funded.

| Key: |
|------|
|      |

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

| § 573 | § 573. CONTRIBUTIONS  | § 573. CONTRIBUTIONS   |
|-------|---|--|
|       | (a) An employer that does not elect to meet its obligations           | (a) An employer that does not elect to meet its obligations        |
|       | under this subchapter as provided pursuant to section 577 shall       | under this subchapter as provided pursuant to section 577 shall    |
|       | remit the contributions required by subsection (b) of this section    | remit the contributions required by subsection (b) of this section |
|       | to the Commissioner of Taxes on a quarterly basis beginning           | to the Commissioner of Taxes on a quarterly basis as provided      |
|       | with the calendar quarter that starts on January 1, 2020.             | pursuant to 32 V.S.A. § 5842(a)(1) beginning with the calendar     |
|       | (b)(1) Contributions shall be equal to:                               | quarter that starts on April 1, 2020.                              |
|       | (A) for the two calendar quarters between April 1,                    | (b)(1)(A) Contributions for bonding and family care                |
|       | 2020 and September 30, 2020, 0.10 percent of each employee's          | insurance shall be equal to 0.20 percent of each employee's        |
|       | covered wages; and  | covered wages.   |
|       | (B) beginning on October 1, 2020 and thereafter,                      | (B) Contributions for medical leave benefits for                   |
|       | 0.55 percent of each employee's covered wages.                        | employees who have elected to obtain coverage pursuant to          |
|       | (2) An employer shall have the option of paying some or               | section 577a of this subchapter shall be equal to 0.38 percent of  |
|       | all of the contributions due for an employee's covered wages or       | the employee's covered wages.                                      |
|       | may deduct and withhold the full amount of the contribution due       | (2) An employer shall have the option of paying some or            |
|       | from the employee's covered wages.                                    | all of the contributions due from an employee's covered wages      |
|       | (c) As used in this section, the term "covered wages" shall           | or may deduct and withhold the full amount of the contribution     |
|       | include all wages paid to an employee up to the amount of the         | due from the employee's covered wages.                             |
| I     | maximum Social Security Taxable Wage.                                 | (c) As used in this section, the term "covered wages" shall        |
|       | (d)(1) The General Assembly shall annually review and, if             | include all wages paid to an employee up to the amount of the      |
|       | necessary, adjust the rate of contribution established pursuant to    | maximum Social Security Taxable Wage.                              |
|       | subsection (b) of this section for the next fiscal year. The rate     | (d)(1) The General Assembly shall annually review and, if          |
|       | shall equal the amount necessary to provide Family and Medical        | necessary, adjust the rates of contribution established pursuant   |
|       | Leave Insurance benefits pursuant to this subchapter, to              | to subsection (b) of this section for the next fiscal year. The    |
|       | administer the Family and Medical Leave Insurance Program             | rates shall equal the amount necessary to provide Family and       |
|       | during the next fiscal year, and, if a reserve is necessary, to       | Medical Leave Insurance benefits pursuant to this subchapter, to   |
|       | ensure that it is adequately funded.                                  | administer the Family and Medical Leave Insurance Program          |
|       | (2) On or before February 1 of each year, the                         | during the next fiscal year, and, if a reserve is necessary, to    |
|       | Commissioner of Financial Regulation, in consultation with the        | ensure that it is adequately funded.                               |
|       | insurance carrier that the State has contracted with, if any, and     | (2) On or before February 1 of each year, the                      |
|       | the Commissioners of Labor and of Taxes, shall report to the          | Commissioner of Financial Regulation, in consultation with the     |
|       | General Assembly the rate of contribution necessary to provide        | insurance carrier that the State has contracted with, if any, and  |
|       | Family and Medical Leave Insurance benefits pursuant to this          | the Commissioners of Labor and of Taxes, shall report to the       |
|       | subchapter, to administer the Program during the next fiscal          | General Assembly the rates of contribution necessary to provide    |
|       | year, and, if a reserve is necessary, to ensure that it is adequately | Family and Medical Leave Insurance benefits pursuant to this       |
|       | <u>funded.</u>  | subchapter, to administer the Program during the next fiscal       |
|       |   | year and if a reservo is necessary to ensure that it is adequately |

of the provisions of this subchapter on forms provided by the Commissioner of Labor.

(b) An employer shall provide written notice of the provisions of this subchapter to new employees within 30 calendar days after the date on which they are hired.

#### § 573. CONTRIBUTIONS

- (a) An employer that does not elect to meet its obligations under this subchapter as provided pursuant to section 577 shall remit the contributions required by subsection (b) of this section to the Commissioner of Taxes on a quarterly basis as provided pursuant to 32 V.S.A. § 5842(a)(1).
- (b)(1)(A) Contributions for bonding and family care insurance shall be equal to 0.20 percent of each employee's covered wages.
- (B) Contributions for medical leave benefits for employees who have elected to obtain coverage pursuant to section 577a of this subchapter shall be equal to 0.38 percent of the employee's covered wages.
- (2) An employer shall have the option of paying some or all of the contributions due from an employee's covered wages or may deduct and withhold the full amount of the contribution due from the employee's covered wages.
- (c) As used in this section, the term "covered wages" shall include all wages paid to an employee up to the amount of the maximum Social Security Taxable Wage.
- (d)(1) The General Assembly shall annually review and, if necessary, adjust the rates of contribution established pursuant to subsection (b) of this section for the next fiscal year. The rates shall equal the amount necessary to provide Family and Medical Leave Insurance benefits pursuant to this subchapter, to administer the Family and Medical Leave Insurance Program during the next fiscal year, and, if a reserve is necessary, to ensure that it is adequately funded.
- (2) On or before February 1 of each year, the Commissioner of Financial Regulation, in consultation with the insurance carrier that the State has contracted with, if any, and the Commissioners of Labor and of Taxes, shall report to the General Assembly the rates of contribution necessary to provide Family and Medical Leave Insurance benefits pursuant to this subchapter, to administer the Program during the next fiscal year, and, if a reserve is necessary, to ensure that it is adequately funded.

| T.Z          |  |
|--------------|--|
| K $\Theta M$ |  |
| TXC y.       |  |

Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

by the employee.

| THE TAX STATE OF THE STATE OF T |
|--|
| <u>JTIONS;</u>   |
| Il collect all   |
| ll collect all   |
| on 573 of this subchapter  |
| <u>Iedical Leave Insurance</u>   |
| 1 11 ' 1   |
| shall require the  |
| ed pursuant to section   |
| by any employer, as if   |
| rmont income tax subject   |
| V.S.A. § 5841(a). The  |
| ons of 32 V.S.A. chapter   |
| hholding requirement   |
| s withheld were a  |
|  |
| d approval from the  |
| for an alternative   |
| e provisions of section  |
| ontributions pursuant to   |
|  |
| may enter into a   |
| e private insurance  |
| ioner of Financial   |
| nis subchapter, the  |
| or the Commissioner of   |
| visions of this section.   |
| may contract with the  |
| h by the Commissioner  |
| tion 572 of this   |
| of contributions pursuant  |
|  |
|  |
|  |
| e permitted to receive a   |
| ily and Medical Leave  |
| hich may include:  |
| s for bonding leave taken  |
|  |
| fits for family care leave   |
|  |
| elected to obtain medical  |
| ns of section 577a of this   |
| for medical leave taken  |
|  |

- (A) if he or she earns an average weekly wage that is not more than Vermont's weekly livable wage, 90 percent of his or her average weekly wage;
- (B) if he or she earns an average weekly wage that is greater than Vermont's weekly livable wage, 90 percent of Vermont's weekly livable wage plus 50 percent of the amount by which his or her average weekly wage exceeds Vermont's weekly livable wage.
- (2) Notwithstanding subdivision (1) of this subsection, no qualified employee may receive Parental and Family Leave Insurance benefits that exceed two-and-one-half times Vermont's weekly livable wage for any single week.
- (c) A qualified employee may receive Family and Medical Leave Insurance benefits for an intermittent leave or leave for a portion of a week. The benefit amount for an intermittent leave or leave for a portion of a week shall be calculated in increments of one full day or one fifth of the qualified employee's weekly benefit amount.
- (d) A bonding leave or medical leave for which benefits are paid pursuant to this subchapter shall run concurrently with a leave taken pursuant to section 472 of this title or the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.
- (e)(1) A qualified employee shall not be permitted to receive Family and Medical Leave Insurance benefits for any day for which he or she is receiving:
  - (A) wages:
- (B) payment for the use of vacation leave, sick leave, or other accrued paid leave;
  - (C) payment pursuant to a disability insurance plan;
- (D) unemployment insurance benefits pursuant to 21 V.S.A. chapter 17 or the law of any other state; or
- (E) compensation for temporary partial disability or temporary total disability pursuant to 21 V.S.A. chapter 9, the workers' compensation law of any state, or any similar law of the United States.
- (2) Notwithstanding subdivision (1) of this subsection, an employer may provide its employees with additional income to supplement the amount of the benefits provided pursuant to this section provided that the sum of the additional income and the benefits provided pursuant to this section does not exceed the employee's average weekly wage.

- (C) for an employee who has elected to obtain medical leave coverage pursuant to the provisions of section 577a of this subchapter, up to six weeks of benefits for medical leave taken by the employee.
- (2) Notwithstanding subdivision (1)(B) of this subsection, with respect to a serious illness of an individual who is a sibling or grandparent of one or more qualified employees, the qualified employees who are a sibling or grandchild of that individual shall be permitted to receive a combined total of not more than six weeks of Parental and Family Leave Insurance benefits in a calendar year for family care leave related to that individual.

(b)(1) The weekly benefit amount for a qualified employee awarded Family and Medical Leave Insurance benefits under this section shall be determined as follows:

- (A) the portion of the qualified employee's average weekly wage that is less than or equal to 55 percent of the Vermont average weekly wage shall be replaced at a rate of 90 percent; and
- (B) the portion of the qualified employee's average weekly wage that is greater than 55 percent of the Vermont average weekly wage shall be replaced at a rate of 55 percent.
- (2) Notwithstanding subdivision (1) of this subsection, no qualified employee may receive Parental and Family Leave Insurance benefits that exceed the Vermont average weekly wage.
- (c)(1)(A) Each qualified employee shall complete a waiting period before he or she may receive benefits for a medical leave or family care leave.
- (B) The waiting period shall consist of the first five calendar days in a calendar year for which the qualified employee would otherwise be eligible to receive benefits for a medical leave or family care leave.
- (C) Family and Medical Leave Insurance benefits shall not be payable for any day in the waiting period.
- (2) A qualified employee shall only have one waiting period in a calendar year.
- (3) No waiting period shall be required before a qualified employee is eligible to receive Family and Medical Leave Insurance benefits in relation to a bonding leave.
- (d) A qualified employee may receive Family and Medical
  Leave Insurance benefits for an intermittent leave or leave for a
  portion of a week. The benefit amount for an intermittent leave
  or leave for a portion of a week shall be calculated in increments

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- (2) Notwithstanding subdivision (1)(B) of this subsection, with respect to a serious illness of an individual who is a sibling or grandparent of one or more qualified employees, the qualified employees who are a sibling or grandchild of that individual shall be permitted to receive a combined total of not more than six weeks of Parental and Family Leave Insurance benefits in a calendar year for family care leave related to that individual.
- (b)(1) The weekly benefit amount for a qualified employee awarded Family and Medical Leave Insurance benefits under this section shall be determined as follows:
- (A) the portion of the qualified employee's average weekly wage that is less than or equal to 55 percent of the Vermont average weekly wage shall be replaced at a rate of 90 percent; and
- (B) the portion of the qualified employee's average weekly wage that is greater than 55 percent of the Vermont average weekly wage shall be replaced at a rate of 55 percent.
- (2) Notwithstanding subdivision (1) of this subsection, no qualified employee may receive Parental and Family Leave Insurance benefits that exceed the Vermont average weekly wage.
- (c)(1)(A) Each qualified employee shall complete a waiting period before he or she may receive benefits for a medical leave or family care leave.
- (B) The waiting period shall consist of the first five calendar days in a calendar year for which the qualified employee would otherwise be eligible to receive benefits for a medical leave or family care leave.
- (C) Family and Medical Leave Insurance benefits shall not be payable for any day in the waiting period.
- (2) A qualified employee shall only have one waiting period in a calendar year.
- (3) No waiting period shall be required before a qualified employee is eligible to receive Family and Medical Leave Insurance benefits in relation to a bonding leave.
- (d) A qualified employee may receive Family and Medical Leave Insurance benefits for an intermittent leave or leave for a portion of a week. The benefit amount for an intermittent leave or leave for a portion of a week shall be calculated in increments of one full day or one fifth of the qualified employee's weekly benefit amount.
- (e) Family and Medical Leave Insurance benefits paid pursuant to this subchapter may be used as wage replacement for a leave taken pursuant to section 472 of this title or the

January 22, 2020

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- of one full day or one fifth of the qualified employee's weekly benefit amount.
- (e) Family and Medical Leave Insurance benefits paid pursuant to this subchapter may be used as wage replacement for a leave taken pursuant to section 472 of this title or the federal Family and Medical Leave Act. 29 U.S.C. §§ 2611– 2654. The receipt of benefits paid pursuant to this subchapter shall not extend the leave provided pursuant to section 472 of this title or the federal Family and Medical Leave Act.
- (f)(1) A qualified employee shall not be permitted to receive Family and Medical Leave Insurance benefits for any day for which he or she is receiving:
  - (A) wages;
- (B) payment for the use of vacation leave, sick leave. or other accrued paid leave;
  - (C) payment pursuant to a disability insurance plan;
- (D) unemployment insurance benefits pursuant to chapter 17 of this title or the law of any other state; or
- (E) compensation for temporary partial disability or temporary total disability pursuant to chapter 9 of this title, the workers' compensation law of any state, or any similar law of the United States.
- (2) Notwithstanding subdivision (1) of this subsection, an employer may provide its employees with additional income to supplement the amount of the benefits provided pursuant to this section provided that the sum of the additional income and the benefits provided pursuant to this section does not exceed the employee's average weekly wage.

- federal Family and Medical Leave Act. 29 U.S.C. §§ 2611– 2654. The receipt of benefits paid pursuant to this subchapter shall not extend the leave provided pursuant to section 472 of this title or the federal Family and Medical Leave Act.
- (f)(1) A qualified employee shall not be permitted to receive Family and Medical Leave Insurance benefits for any day for which he or she is receiving:
  - (A) wages;
- (B) payment for the use of vacation leave, sick leave, or other accrued paid leave:
  - (C) payment pursuant to a disability insurance plan;
- (D) unemployment insurance benefits pursuant to chapter 17 of this title or the law of any other state; or
- (E) compensation for temporary partial disability or temporary total disability pursuant to chapter 9 of this title, the workers' compensation law of any state, or any similar law of the United States.
- (2) Notwithstanding subdivision (1) of this subsection, an employer may provide its employees with additional income to supplement the amount of the benefits provided pursuant to this section provided that the sum of the additional income and the benefits provided pursuant to this section does not exceed the employee's average weekly wage.

#### § 576 § 576. APPLICATION FOR BENEFITS; PAYMENT; TAX WITHHOLDING

- (a) A qualified employee, or his or her agent, shall file an application for Family and Medical Leave Insurance benefits under this subchapter on a form approved by the Commissioner of Labor. The determination of whether the qualified employee is eligible to receive Family and Medical Leave Insurance benefits shall be based on the following criteria:
- (1) The claim is for a bonding leave or a medical leave and the need for the leave is adequately documented.
- (2) The claimant satisfies the requirements to be a qualified employee as defined pursuant to subsection 571(8) of this subchapter.
- (3) The claimant has specified the anticipated start date and duration of the leave.

#### § 576. APPLICATION FOR BENEFITS; PAYMENT; TAX WITHHOLDING

- (a) A qualified employee, or his or her agent, shall file an application for Family and Medical Leave Insurance benefits under this subchapter on a form approved by the Commissioner of Labor. The determination of whether the qualified employee is eligible to receive Family and Medical Leave Insurance benefits shall be based on the following criteria:
- (1) The claim is for a bonding leave, a family care leave, or, if applicable, a medical leave and the need for the leave is adequately documented.
- (2) The claimant satisfies the requirements to be a qualified employee as defined pursuant to subdivision 571(10) of this subchapter.
- (3) The claimant has specified the anticipated start date and duration of the leave.

#### § 576. APPLICATION FOR BENEFITS; PAYMENT; TAX WITHHOLDING

- (a) A qualified employee, or his or her agent, shall file an application for Family and Medical Leave Insurance benefits under this subchapter on a form approved by the Commissioner of Labor. The determination of whether the qualified employee is eligible to receive Family and Medical Leave Insurance benefits shall be based on the following criteria:
- (1) The claim is for a bonding leave, a family care leave, or, if applicable, a medical leave and the need for the leave is adequately documented.
- (2) The claimant satisfies the requirements to be a qualified employee as defined pursuant to subdivision 571(10) of this subchapter.
- (3) The claimant has specified the anticipated start date and duration of the leave.

| (b)(1) A determination shall be made in relation to each         |
|--|
| claim within not more than five business days after the date the |
| claim is filed. The time to make a determination on a claim may  |
| be extended by not more than 15 business days if necessary to    |
| obtain documents or information that are needed to make the      |
| determination.   |
| (2) An application for Family and Medical Leave                  |
| Insurance benefits may be filed:                                 |
| (A) up to 60 days before an anticipated leave; or                |
| (B) in the event of a premature birth or an                      |
| unanticipated serious illness, within 60 days after the leave    |
| hegins   |

- (3)(A) Benefits shall be paid to a qualified employee for the time period beginning on the day his or her leave began.
- (B) The first benefit payment shall be sent to the qualified employee within 14 days after his or her claim is approved, and subsequent payments shall be sent biweekly.
- (4) The provisions of sections 1367 and 1367a of this title shall apply to Family and Medical Leave Insurance benefits.
- (c)(1) An individual filing a claim for Family and Medical Leave Insurance benefits shall, at the time of filing, be advised that Family and Medical Leave Insurance benefits may be subject to income tax and that the individual's benefits may be subject to withholding.
- (2) All procedures specified by 26 U.S.C. chapter 24 and 32 V.S.A. chapter 151, subchapter 4 pertaining to the withholding of income tax shall be followed in relation to the payment of Family and Medical Leave Insurance benefits.
- (d) As used in this section, "agent" means an individual who holds a valid power of attorney for the employee or other legal authorization to act on the employee's behalf that is acceptable to the Commissioner of Labor.

### § 577. EMPLOYER OPTION; ALTERNATIVE INSURANCE OR BENEFITS

(a) As an alternative to and in lieu of participating in the Family and Medical Leave Insurance Program, an employer may, upon approval by the Commissioner of Financial Regulation, comply with the requirements of this subchapter through the use of an alternative insurance plan or benefit plan that provides to all of its employees benefits for bonding and

(b)(1) A determination shall be made in relation to each claim within not more than five business days after the date the claim is filed. The time to make a determination on a claim may be extended by not more than 15 business days if necessary to obtain documents or information that are needed to make the determination.

- (2) An application for Family and Medical Leave Insurance benefits may be filed:
  - (A) up to 60 days before an anticipated leave; or
- (B) in the event of a premature birth or an unanticipated serious illness, within 60 days after the leave begins.
- (3)(A) Benefits shall be paid to a qualified employee for the time period beginning on the day his or her leave began less any waiting period required pursuant to subsection 575(c) of this subchapter.
- (B) The first benefit payment shall be sent to the qualified employee within 14 days after the leave begins or the claim is approved, whichever is later, and subsequent payments shall be sent biweekly.
- (4) The provisions of section 1367 of this title shall apply to Family and Medical Leave Insurance benefits.
- (c)(1) An individual filing a claim for Family and Medical Leave Insurance benefits shall, at the time of filing, be advised that Family and Medical Leave Insurance benefits may be subject to income tax and that the individual's benefits may be subject to withholding.
- (2) All procedures specified by 26 U.S.C. chapter 24 and 32 V.S.A. chapter 151, subchapter 4 pertaining to the withholding of income tax shall be followed in relation to the payment of Family and Medical Leave Insurance benefits.
- (d) As used in this section, "agent" means an individual who holds a valid power of attorney for the employee or other legal authorization to act on the employee's behalf that is acceptable to the Commissioner of Labor.

### § 577. EMPLOYER OPTION; ALTERNATIVE INSURANCE OR BENEFITS

(a) As an alternative to and in lieu of participating in the Family and Medical Leave Insurance Program, an employer may, upon approval by the Commissioner of Financial Regulation, comply with the requirements of this subchapter through the use of an alternative insurance plan or benefit plan that provides to all of its employees benefits for bonding and

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- (b)(1) A determination shall be made in relation to each claim within not more than five business days after the date the claim is filed. The time to make a determination on a claim may be extended by not more than 15 business days if necessary to obtain documents or information that are needed to make the determination.
- (2) An application for Family and Medical Leave Insurance benefits may be filed:

or

- (A) up to 60 calendar days before an anticipated leave;
- (B) in the event of a premature birth or an unanticipated serious illness, within 60 calendar days after the leave begins.
- (3)(A) Benefits shall be paid to a qualified employee for the time period beginning on the day his or her leave began less any waiting period required pursuant to subsection 575(c) of this subchapter.
- (B) The first benefit payment shall be sent to the qualified employee within 14 calendar days after the leave begins or the claim is approved, whichever is later, and subsequent payments shall be sent biweekly.
- (4) The provisions of section 1367 of this title shall apply to Family and Medical Leave Insurance benefits.
- (c)(1) An individual filing a claim for Family and Medical Leave Insurance benefits shall, at the time of filing, be advised that Family and Medical Leave Insurance benefits may be subject to income tax and that the individual's benefits may be subject to withholding.
- (2) All procedures specified by 26 U.S.C. chapter 24 and 32 V.S.A. chapter 151, subchapter 4 pertaining to the withholding of income tax shall be followed in relation to the payment of Family and Medical Leave Insurance benefits.
- (d) As used in this section, "agent" means an individual who holds a valid power of attorney for the employee or other legal authorization to act on the employee's behalf that is acceptable to the Commissioner of Labor.

### § 577. EMPLOYER OPTION; ALTERNATIVE INSURANCE OR BENEFITS

(a) As an alternative to and in lieu of participating in the Family and Medical Leave Insurance Program, an employer may, upon approval by the Commissioner of Financial Regulation, comply with the requirements of this subchapter through the use of an alternative insurance plan or benefit plan that provides to all of its employees benefits for bonding and

§ 577

- medical leave that are equivalent to or more generous than the benefits provided pursuant to this subchapter. An employer may elect to provide such benefits by:
- (1) establishing and maintaining to the satisfaction of the Commissioner of Financial Regulation self-insurance necessary to provide equivalent or greater benefits;
- (2) purchasing insurance coverage for the payment of equivalent or greater benefits from any insurance carrier authorized to provide family and medical leave insurance in this State:
- (3) establishing an employee benefits plan that provides equivalent or greater benefits; or
- (4) any combination of subdivisions (1) through (3) of this subsection.
- (b)(1) The Commissioner of Financial Regulation may approve an alternative insurance or benefit plan under this section upon making a determination that it provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.
- (2)(A) Nothing in this section shall be construed to required that the benefits provided by an alternative insurance or benefit plan be identical to the benefits provided pursuant to this subchapter.
- (B) The Commissioner shall determine whether the benefits provided by a proposed alternative insurance or benefit plan are equivalent to or more generous than the benefits provided pursuant to this subchapter by weighing the relative value of the alternative plan's length of leave, wage replacement, and cost to employees against the provisions of this subchapter.
- (c)(1) Except as otherwise provided pursuant to subdivision (4) of this subsection, an alternative insurance or benefit plan shall only be permitted to become effective on January 1 following its approval and shall remain in effect until it is discontinued pursuant to subdivision (3) of this subsection.
- (2)(A) An employer shall submit an application to the Commissioner of Financial Regulation for approval of a new or modified alternative insurance or benefit plan on or before October 15 of the calendar year prior to when it shall take effect.
- (B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before December 1. If the application is approved, the Commissioner shall also provide a copy of the

- family care leave that are equivalent to or more generous than the benefits provided pursuant to this subchapter. An employer may elect to provide such benefits by:
- (1) establishing and maintaining to the satisfaction of the Commissioner of Financial Regulation self-insurance necessary to provide equivalent or more generous benefits;
- (2) purchasing insurance coverage for the payment of equivalent or more generous benefits from any insurance carrier authorized to provide family and medical leave insurance in this State:
- (3) establishing an employee benefits plan that provides equivalent or more generous benefits; or
- (4) any combination of subdivisions (1) through (3) of this subsection.
- (b)(1) The Commissioner of Financial Regulation may approve an alternative insurance or benefit plan under this section upon making a determination that it provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.
- (2)(A) Nothing in this section shall be construed to required that the benefits provided by an alternative insurance or benefit plan be identical to the benefits provided pursuant to this subchapter.
- (B) The Commissioner shall determine whether the benefits provided by a proposed alternative insurance or benefit plan are equivalent to or more generous than the benefits provided pursuant to this subchapter by weighing the relative value of the alternative plan's length of leave, wage replacement, and cost to employees against the provisions of this subchapter.
- (C) The Commissioner shall not approve an alternative insurance or benefit plan under this section unless the plan either:
- (i) provides employees with coverage for medical leave for a period of at least six weeks at the same level of wage replacement as the plan provides for family care leave; or
- (ii) offers employees the option to obtain, at a reasonable cost, coverage for medical leave for a period of at least six weeks at the same level of wage replacement as the plan provides for family care leave.
- (c)(1) Except as otherwise provided pursuant to subdivision (4) of this subsection, an alternative insurance or benefit plan shall only be permitted to become effective on January 1

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- family care leave that are equivalent to or more generous than the benefits provided pursuant to this subchapter. An employer may elect to provide such benefits by:
- (1) establishing and maintaining to the satisfaction of the Commissioner of Financial Regulation self-insurance necessary to provide equivalent or more generous benefits;
- (2) purchasing insurance coverage for the payment of equivalent or more generous benefits from any insurance carrier authorized to provide family and medical leave insurance in this State;
- (3) establishing an employee benefits plan that provides equivalent or more generous benefits; or
- (4) any combination of subdivisions (1) through (3) of this subsection.
- (b)(1) The Commissioner of Financial Regulation may approve an alternative insurance or benefit plan under this section upon making a determination that it provides benefits that are equivalent to or more generous than the benefits provided pursuant to this subchapter.
- (2)(A) Nothing in this section shall be construed to required that the benefits provided by an alternative insurance or benefit plan be identical to the benefits provided pursuant to this subchapter.
- (B)(i) The Commissioner shall determine whether the benefits provided by a proposed alternative insurance or benefit plan are equivalent to or more generous than the benefits provided pursuant to this subchapter by weighing the relative value of the alternative plan's length of leave, wage replacement, and cost to employees against the provisions of this subchapter.
- (ii) In making the determination pursuant to this subdivision (b)(2)(B), the Commissioner shall also consider the relative value of any medical leave that is provided to employees as set forth in subdivision (b)(2)(C)(i) of this section.
- (C) The Commissioner shall not approve an alternative insurance or benefit plan under this section unless the plan either:
- (i) provides employees with coverage for medical leave for a period of at least six weeks at the same level of wage replacement as the plan provides for family care leave; or
- (ii) offers employees the option to obtain, at a reasonable cost, coverage for medical leave for a period of at least six weeks at the same level of wage replacement as the plan provides for family care leave.

- notice to the Commissioners of Labor and of Taxes on or before December 1.
- (3) An employer may discontinue its alternative insurance or benefit plan on January 1 of any year by filing notice of its intent to discontinue the plan with the Commissioners of Financial Regulation, of Labor, and of Taxes on or before November 1 of the prior year.
- (4)(A) Notwithstanding any provisions of subdivisions (1) and (2) of this subsection to the contrary, for calendar year 2020, an employer shall submit an application for a new alternative insurance or benefit plan on or before February 1.
- (B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before March 15. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before March 15.
- (C) Beginning on April 1, 2020, an employer that receives approval for an alternative insurance or benefit plan pursuant to this subdivision (4) shall be exempt from withholding contributions as provided pursuant to subdivision 574(b)(2) of this subchapter.
- (d) Nothing in this subchapter shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or paid time off policy that provides more generous benefits than the benefits provided pursuant to this subchapter.

- following its approval and shall remain in effect until it is discontinued pursuant to subdivision (3) of this subsection.
- (2)(A) An employer shall submit an application to the Commissioner of Financial Regulation for approval of a new or modified alternative insurance or benefit plan on or before October 15 of the calendar year prior to when it shall take effect.
- (B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before December 1. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before December 1.
- (3) An employer may discontinue its alternative insurance or benefit plan on January 1 of any year by filing notice of its intent to discontinue the plan with the Commissioners of Financial Regulation, of Labor, and of Taxes on or before November 1 of the prior year.
- (4)(A) Notwithstanding any provisions of subdivisions (1) and (2) of this subsection to the contrary, for calendar year 2020, an employer shall submit an application for a new alternative insurance or benefit plan on or before February 1.
- (B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before March 15. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before March 15.
- (C) Beginning on April 1, 2020, an employer that receives approval for an alternative insurance or benefit plan pursuant to this subdivision (4) shall be exempt from withholding contributions as provided pursuant to subdivision 574(b)(2) of this subchapter.
- (d) Nothing in this subchapter shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or paid time off policy that provides more generous benefits than the benefits provided pursuant to this subchapter.

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- (c)(1) Except as otherwise provided pursuant to subdivision (4) of this subsection, an alternative insurance or benefit plan shall only be permitted to become effective on January 1 following its approval and shall remain in effect until it is discontinued pursuant to subdivision (3) of this subsection.
- (2)(A) An employer shall submit an application to the Commissioner of Financial Regulation for approval of a new or modified alternative insurance or benefit plan on or before October 15 of the calendar year prior to when it shall take effect.
- (B) The Commissioner shall make a determination and notify the employer of whether its application has been approved on or before December 1. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes on or before December 1.
- (3) An employer may discontinue its alternative insurance or benefit plan on January 1 of any year by filing notice of its intent to discontinue the plan with the Commissioners of Financial Regulation, of Labor, and of Taxes on or before November 1 of the prior year.
- (4)(A) Notwithstanding any provisions of subdivisions (1) and (2) of this subsection to the contrary, for calendar year 2021, an employer shall submit an application for a new alternative insurance or benefit plan not less than 60 calendar days prior to the first day of the first quarter for which contributions shall be due.
- (B) The Commissioner shall make a determination and notify the employer of whether its application has been approved not later than 15 calendar days prior to the first day of the first quarter for which contributions shall be due. If the application is approved, the Commissioner shall also provide a copy of the notice to the Commissioners of Labor and of Taxes not later than 15 calendar days prior to the first day of the first quarter for which contributions shall be due.
- (C) An employer that receives approval for an alternative insurance or benefit plan pursuant to this subdivision (4) shall, during calendar year 2021, be exempt from withholding contributions as provided pursuant to subdivision 574(b)(2) of this subchapter.
- (d) Nothing in this subchapter shall be construed to diminish an employer's obligation to comply with any collective bargaining agreement or paid time off policy that provides more generous benefits than the benefits provided pursuant to this subchapter.

#### Side-by-Side Comparison of Paid Family Leave Bill (H.107)

Prepared by Damien Leonard January 22, 2020

#### § 577a. MEDICAL LEAVE COVERAGE: ELECTION

(a)(1) An employee may elect to obtain coverage for medical leave by submitting an enrollment form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) An employee who elects to enroll in medical leave coverage shall submit the form required pursuant to subdivision (a)(1) of this section not later than December 1 of the year prior to the year in which the employee intends to begin medical leave coverage.

(b)(1) An employee who has enrolled in medical leave coverage pursuant to the provisions of subsection (a) of this section shall become liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan beginning on the next January 1 following his or her enrollment.

(2)(A) An employee who enrolls in medical leave coverage through the Family and Medical Leave Insurance Program shall remain enrolled for a minimum period of three years. At the conclusion of his or her initial three-year period, and annually thereafter, the employee may discontinue his or her medical leave coverage pursuant to subsection (c) of this section.

(B) An employee who enrolls in medical leave coverage through an alternative insurance or benefits plan offered by his or her employer shall remain enrolled for the minimum period required pursuant to the plan. At the conclusion of the minimum required period, and annually thereafter, the employee may discontinue his or her medical leave coverage pursuant to subsection (c) of this section.

(3) The employee shall be liable for the additional medical leave contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan until he or she discontinues medical leave coverage pursuant to subsection (c) of this section.

(4) The employee shall become eligible to use medical leave benefits upon satisfying the requirements to be a qualified employee pursuant to subdivision 571(10) of this subchapter or

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

#### § 577a. MEDICAL LEAVE COVERAGE; ELECTION

(a)(1) An employee may elect to obtain coverage for medical leave by submitting an enrollment form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) An employee who elects to enroll in medical leave coverage shall submit the form required pursuant to subdivision (a)(1) of this section not later than December 1 of the year prior to the year in which the employee intends to begin medical leave coverage.

(b)(1) An employee who has enrolled in medical leave coverage pursuant to the provisions of subsection (a) of this section shall become liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan beginning on the next January 1 following his or her enrollment.

(2)(A) An employee who enrolls in medical leave coverage through the Family and Medical Leave Insurance Program shall remain enrolled for a minimum period of three years. At the conclusion of his or her initial three-year period, and annually thereafter, the employee may discontinue his or her medical leave coverage pursuant to subsection (c) of this section.

(B) An employee who enrolls in medical leave coverage through an alternative insurance or benefits plan offered by his or her employer shall remain enrolled for the minimum period required pursuant to the plan. At the conclusion of the minimum required period, and annually thereafter, the employee may discontinue his or her medical leave coverage pursuant to subsection (c) of this section.

(3) The employee shall be liable for the additional medical leave contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan until he or she discontinues medical leave coverage pursuant to subsection (c) or (d) of this section.

(4) The employee shall become eligible to use medical leave benefits upon satisfying the requirements to be a qualified employee pursuant to subdivision 571(10) of this subchapter or

#### Side-by-Side Comparison of Paid Family Leave Bill (H.107)

Prepared by Damien Leonard January 22, 2020

meeting the eligibility requirements for his or her employer's alternative insurance or benefits plan, as appropriate.

(c)(1) An employee may discontinue medical leave coverage by submitting, not later than December 1, of the year prior to the calendar year in which the employee intends to discontinue coverage, a form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) On the next January 1 after the timely submission of the form required pursuant to subdivision (1) of this subsection, the employee shall no longer:

(A) be eligible for medical leave benefits; and

(B) be liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan.

(d)(1) An employee who is ceasing employment in Vermont or becoming self-employed may discontinue his or her medical leave coverage effective on his or her last day of employment by submitting a form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) Upon the effective date of the employee's discontinuation of coverage, he or she shall no longer be:

(A) eligible for medical leave benefits; and

(B) liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan.

(e)(1) For an employee who has elected to obtain medical leave coverage through the Family and Medical Leave Insurance Program:

(A) If during the initial three-year period, he or she experiences a break in employment and is subsequently rehired by any employer participating in the Family and Medical Leave Insurance Program, the employee shall remain enrolled in

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

meeting the eligibility requirements for his or her employer's alternative insurance or benefits plan, as appropriate.

(c)(1) An employee may discontinue medical leave coverage by submitting, not later than December 1, of the year prior to the calendar year in which the employee intends to discontinue coverage, a form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) On the next January 1 after the timely submission of the form required pursuant to subdivision (1) of this subsection, the employee shall no longer:

(A) be eligible for medical leave benefits; and

(B) be liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan.

(d)(1) An employee who is ceasing employment in Vermont or becoming self-employed may discontinue his or her medical leave coverage effective on his or her last day of employment by submitting a form approved by the Commissioner of Taxes to either:

(A) his or her employer and the Commissioner of Taxes; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) Upon the effective date of the employee's discontinuation of coverage, he or she shall no longer be:

(A) eligible for medical leave benefits; and

(B) liable for the additional contribution amount required pursuant to subdivision 573(b)(1)(B) of this subchapter or the additional cost for medical leave coverage under his or her employer's alternative plan.

(e)(1) For an employee who has elected to obtain medical leave coverage through the Family and Medical Leave Insurance Program:

(A) If during the initial three-year period, he or she experiences a break in employment and is subsequently rehired by any employer participating in the Family and Medical Leave Insurance Program, the employee shall remain enrolled in

Prepared by Damien Leon January 22, 2020

medical leave coverage and the period of his or her break in employment shall count toward the initial three-year period.

(B) If at any time, he or she separates from employment with an employer that is participating in the Family and Medical Leave Insurance Program in order to take a job with another employer that is participating in the Family and Medical Leave Insurance Program, the employee shall remain enrolled in medical leave coverage and, if applicable, the period of any break in employment shall count toward the initial three-year period.

(C) If at any time, he or she separates from employment with an employer that is participating in the Family and Medical Leave Insurance Program and subsequently begins employment with an employer that has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, the employee's medical leave coverage under the Family and Medical Leave Insurance Program shall cease on the day he or she commences employment with the new employer.

(2)(A) If an employee who has elected to obtain medical leave coverage through an alternative insurance or benefits plan approved pursuant to section 577 of this subchapter separates from employment with his or her employer that has received approval for an alternative plan in order to take a job with another employer, the employee's medical leave coverage under the alternative plan shall cease on the day he or she separates from employment with the current employer.

(B) On the date the employee separates from employment, he or she shall no longer be eligible for medical leave benefits under the alternative plan, and shall no longer be liable for the additional cost for medical leave coverage under his or her former employer's alternative plan.

(f)(1) Notwithstanding any provision of subsection (a) to the contrary, an employee who elects to enroll in medical leave coverage for calendar year 2020, shall, on or before March 1, 2020, submit an enrollment form approved by the Commissioner of Taxes to either:

(A) the Commissioner of Taxes and his or her employer; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

(2) An employee who has enrolled in medical leave coverage pursuant to the provisions of subdivision (1) of this

Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

medical leave coverage and the period of his or her break in employment shall count toward the initial three-year period.

(B) If at any time, he or she separates from employment with an employer that is participating in the Family and Medical Leave Insurance Program in order to take a job with another employer that is participating in the Family and Medical Leave Insurance Program, the employee shall remain enrolled in medical leave coverage and, if applicable, the period of any break in employment shall count toward the initial three-year period.

(C) If at any time, he or she separates from employment with an employer that is participating in the Family and Medical Leave Insurance Program and subsequently begins employment with an employer that has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, the employee's medical leave coverage under the Family and Medical Leave Insurance Program shall cease on the day he or she commences employment with the new employer.

(2)(A) If an employee who has elected to obtain medical leave coverage through an alternative insurance or benefits plan approved pursuant to section 577 of this subchapter separates from employment with his or her employer that has received approval for an alternative plan in order to take a job with another employer, the employee's medical leave coverage under the alternative plan shall cease on the day he or she separates from employment with the current employer.

(B) On the date the employee separates from employment, he or she shall no longer be eligible for medical leave benefits under the alternative plan, and shall no longer be liable for the additional cost for medical leave coverage under his or her former employer's alternative plan.

(f)(1) Notwithstanding any provision of subsection (a) to the contrary, an employee who elects to enroll in medical leave coverage for calendar year 2021, shall, not later than 30 calendar days prior to the first day of the first quarter for which contributions shall be due, submit an enrollment form approved by the Commissioner of Taxes to either:

(A) the Commissioner of Taxes and his or her employer; or

(B) if his or her employer has received approval for an alternative insurance or benefits plan pursuant to section 577 of this subchapter, his or her employer.

|                      | ncj.   |
|----------------------|--|
|                      | Changes from the previous version                                    |
|                      | Senate Provision Adopted by Committee of Conference                  |
|                      | House Provision Adopted by Committee of Conference                   |
| n l                  | (2) An employee who has enrolled in medical leave                    |
| <u>n</u><br><u>s</u> | coverage pursuant to the provisions of subdivision (1) of this       |
| 2                    | subsection shall become liable for the additional contribution       |
| pril                 | amount required pursuant to subdivision 573(b)(1)(B) of this         |
| <u>JIII</u>          | subchapter or the additional cost for medical leave coverage         |
|                      | under his or her employer's alternative plan beginning on the        |
|                      | first day of the first quarter for which contributions shall be due. |
|                      | (3)(A) An employee who has enrolled pursuant to                      |
|                      | subdivision (1) of this subsection in medical leave coverage         |
| <mark>an</mark>      | offered through the Family and Medical Leave Insurance               |
| <u>411</u>           | Program shall be eligible to discontinue that coverage on            |
|                      | January 1, 2024 by submitting the required form not later than       |
|                      | December 1, 2023.  |
| )r                   | (B) An employee who has enrolled pursuant to                         |
| or<br>O<br>t         | subdivision (1) of this subsection in medical leave coverage         |
| <u>+</u>             | offered through his or her employer's alternative insurance or       |
| vill                 | benefits plan shall be eligible to discontinue that coverage not     |
| <u> </u>             | later than January 1, 2024 by submitting the required form at        |
|                      | least 30 calendar days prior to the date on which his or her         |
|                      | coverage will cease.   |
|                      | Same   |
|                      |  |
|                      |  |
|                      |  |
|                      |  |
|                      |  |
|                      |  |
|                      |  |
|                      | § 579. APPEALS   |
| <u>ider</u>          | (a) An employer or employee aggrieved by a decision under            |
| <u>eal</u>           | section 576 or 578 of this subchapter may file an initial appeal     |
|                      | of the decision with the insurance carrier that the State has        |
|                      | contracted with.   |
| <u>e</u>             | (b) Within 20 calendar days after receiving notice of the            |
|                      | insurance carrier's decision on the initial appeal, the employer     |
|                      | or employee may appeal the decision to an administrative law         |
| of                   | judge as provided pursuant to sections 1348 and 1351–1357 of         |
|                      | this title.  |
|                      | (a) Within 20 calendar days often receiving notice of the            |

Key:

|       |  | subsection shall become liable for the additional contribution    | (2) An employee who has enrolled in medical leave                    |
|-------|--|---|--|
|       |  | amount required pursuant to subdivision 573(b)(1)(B) of this      | coverage pursuant to the provisions of subdivision (1) of this       |
|       |  | subchapter or the additional cost for medical leave coverage      | subsection shall become liable for the additional contribution       |
|       |  | under his or her employer's alternative plan beginning on April   | amount required pursuant to subdivision 573(b)(1)(B) of this         |
|       |  | 1, 2020.  | subchapter or the additional cost for medical leave coverage         |
|       |  | (3)(A) An employee who has enrolled pursuant to                   | under his or her employer's alternative plan beginning on the        |
|       |  | subdivision (1) of this subsection in medical leave coverage      | first day of the first quarter for which contributions shall be due. |
|       |  | offered through the Family and Medical Leave Insurance            | (3)(A) An employee who has enrolled pursuant to                      |
|       |  | Program shall be eligible to discontinue that coverage on         | subdivision (1) of this subsection in medical leave coverage         |
|       |  | January 1, 2023 by submitting the required form not later than    | offered through the Family and Medical Leave Insurance               |
|       |  | December 1, 2022.   | Program shall be eligible to discontinue that coverage on            |
|       |  | (B) An employee who has enrolled pursuant to                      | January 1, 2024 by submitting the required form not later than       |
|       |  | subdivision (1) of this subsection in medical leave coverage      | December 1, 2023.  |
|       |  | offered through his or her employer's alternative insurance or    | (B) An employee who has enrolled pursuant to                         |
|       |  | benefits plan shall be eligible to discontinue that coverage no   | subdivision (1) of this subsection in medical leave coverage         |
|       |  | later than January 1, 2023 by submitting the required form at     | offered through his or her employer's alternative insurance or       |
|       |  | least 30 days prior to the date on which his or her coverage will | benefits plan shall be eligible to discontinue that coverage not     |
|       |  | cease.  | later than January 1, 2024 by submitting the required form at        |
|       |  |   | least 30 calendar days prior to the date on which his or her         |
|       |  |   | coverage will cease.   |
| § 578 | § 578. DISQUALIFICATIONS   | Same  | Same   |
|       | A qualified employee shall be disqualified for benefits for      |   |  |
|       | any week in which he or she has received:                        |   |  |
|       | (1) compensation for temporary partial disability or             |   |  |
|       | temporary total disability under the workers' compensation law   |   |  |
|       | of any state or under a similar law of the United States; or     |   |  |
|       | (2) unemployment insurance benefits under the law of             |   |  |
|       | any state.   |   |  |
| § 579 | § 579. APPEALS   | § 579. APPEALS  | § 579. APPEALS   |
|       | (a) An employer or employee aggrieved by a decision under        | (a) An employer or employee aggrieved by a decision under         | (a) An employer or employee aggrieved by a decision under            |
|       | section 576 or 578 of this subchapter may file an initial appeal | section 576 or 578 of this subchapter may file an initial appeal  | section 576 or 578 of this subchapter may file an initial appeal     |
|       | of the decision with the insurance carrier that the State has    | of the decision with the insurance carrier that the State has     | of the decision with the insurance carrier that the State has        |
|       | contracted with.   | contracted with.  | contracted with.   |
|       | (b) Within 20 days after receiving notice of the insurance       | (b) Within 20 days after receiving notice of the insurance        | (b) Within 20 calendar days after receiving notice of the            |
|       | carrier's decision on the initial appeal, the employer or        | carrier's decision on the initial appeal, the employer or         | insurance carrier's decision on the initial appeal, the employer     |
|       | employee may appeal the decision as provided pursuant to         | employee may appeal the decision to an administrative law         | or employee may appeal the decision to an administrative law         |
|       | sections 1348, 1349, and 1351–1357 of this title.                | judge as provided pursuant to sections 1348 and 1351–1357 of      | judge as provided pursuant to sections 1348 and 1351–1357 of         |
|       | 200 10 10 10 10 10 10 10 10 10 10 10 10 1                        | this title.   | this title.  |
|       |  | (c) Within 30 days after receiving notice of the                  | (c) Within 30 calendar days after receiving notice of the            |
|       |  | administrative law judge's decision, either party may appeal that | administrative law judge's decision, either party may appeal that    |
|       |  | decision to the Supreme Court.                                    | decision to the Supreme Court.                                       |
| § 580 | § 580. FALSE STATEMENT OR REPRESENTATION;                        | Same  | Same   |
| 3 200 |  | Dulle   | Dullie   |
|       | PENALTY  |   |  |

Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

| A person who willfully makes a false statement or                   |
|---|
| representation for the purpose of obtaining any benefit or          |
| payment or to avoid payment of any required contributions           |
| under the provisions of this subchapter, either for himself or      |
| herself or for any other person, after notice and opportunity for   |
| hearing, may be assessed an administrative penalty of not more      |
| than \$20,000.00 and shall forfeit all or a portion of any right to |
| benefits under the provisions of this subchapter, as determined     |
| to be appropriate by the Commissioner of Labor or                   |
| Commissioner of Financial Regulation, as appropriate.               |
| 8 581 DEINCTATEMENT: CENIODITY AND RENEEITS                         |

#### § 581. REINSTATEMENT; SENIORITY AND BENEFITS PROTECTED

- (a) The employer of an employee who receives Family and Medical Leave Insurance benefits under this subchapter shall reinstate the employee at the conclusion of his or her bonding leave or medical leave, provided the employee does not take bonding leave or medical leave for a combined total of more than 12 weeks in a calendar year. The employee shall be reinstated in the first available suitable position given the position he or she held at the time his or her leave began.
- (b) Upon reinstatement, the employee shall regain seniority and any unused accrued paid leave he or she was entitled to prior to the leave, less any accrued paid leave used during the
- (c)(1) Nothing in this section shall be construed to diminish an employee's rights pursuant to subsection 472(f) of this chapter.
- (2) The provisions of this section shall not apply if: (A) the employee had been given notice, or had given

notice, prior to the employee providing his or her employer with

notice of the leave;

- (B) the employer can demonstrate by clear and convincing evidence that during the leave, or prior to the employee's reinstatement, the employee's position would have been terminated or the employee laid off for reasons unrelated to the leave or the reason for which the employee took the leave;
  - (C) the employee fails to inform the employer of:
- (i) his or her interest in being reinstated at the conclusion of the leave; and
- (ii) the date on which his or her leave is anticipated to conclude; or
- (D) more than two years have elapsed since the conclusion of the employee's leave.

#### § 581. REHIRING; LIMITED RIGHT; SENIORITY AND **BENEFITS PROTECTED**

- (a)(1)(A) An employee who is not entitled to job protection pursuant to section 472 of this chapter and is separated from employment in relation to a leave for which he or she receives Family and Medical Leave Insurance benefits pursuant to this subchapter shall have a limited right to be rehired by his or her employer following the conclusion of his or her leave.
- (B) The employer shall offer the employee the first available suitable position based on the position the employee held at the time his or her leave began.
- (C) If the employee declines the offer, he or she shall not be entitled to any further employment offers from the employer.
- (2) An employee shall not be entitled to be rehired pursuant to the provisions of this section if:
  - (A) the employee fails to inform the employer of:
    - (i) the need for the leave;
- (ii) his or her interest in being rehired at the conclusion of the leave; and
- (iii) the date on which his or her leave is anticipated to conclude;
- (B) the employee had been given notice, or had given notice, prior to providing his or her employer with notice of the leave:
- (C) the employer can demonstrate by clear and convincing evidence that during the leave, or prior to the employee's reinstatement, the employee's position would have been terminated or the employee laid off for reasons unrelated to the leave or the reason for which the employee took the leave; or
- (D) the employee has exhausted his or her right to job protection for the leave pursuant to section 472 of this chapter and the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611–2654.

#### § 581. REHIRING; LIMITED RIGHT; SENIORITY AND **BENEFITS PROTECTED**

- (a)(1)(A) An employee who is not entitled to job protection pursuant to section 472 of this chapter and is separated from employment in relation to a leave for which he or she receives Family and Medical Leave Insurance benefits pursuant to this subchapter shall have a limited right to be rehired by his or her employer following the conclusion of his or her leave.
- (B) The employer shall offer the employee the first available suitable position based on the position the employee held at the time his or her leave began.
- (C) If the employee declines the offer, he or she shall not be entitled to any further employment offers from the employer.
- (2) An employee shall not be entitled to be rehired pursuant to the provisions of this section if:
  - (A) the employee fails to inform the employer of:
  - (i) the need for the leave;
- (ii) his or her interest in being rehired at the conclusion of the leave; and
- (iii) the date on which his or her leave is anticipated to conclude:
- (B) the employee had been given notice, or had given notice, prior to providing his or her employer with notice of the leave;
- (C) the employer can demonstrate by clear and convincing evidence that during the leave, or prior to the employee's reinstatement, the employee's position would have been terminated or the employee laid off for reasons unrelated to the leave or the reason for which the employee took the leave; or
- (D) the employee has exhausted his or her right to job protection for the leave pursuant to section 472 of this chapter and the federal Family and Medical Leave Act, 29 U.S.C. §§ 2611-2654.

|       |   | omparison of Paid Family Leave Bill (H.107) epared by Damien Leonard January 22, 2020  | Key: Changes from the previous version Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference  |
|-------|---|--|--|
|       | (d)(1) An employee aggrieved by an employer's failure to comply with the provisions of this section may bring an action in the Civil Division of the Superior Court in the county where the employment is located for compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, and other appropriate relief.  (2) A copy of the complaint shall be filed with the Commissioner of Labor.  (3) The court shall award reasonable attorney's fees to the employee if he or she prevails.   | (3) An employee's right to be rehired pursuant to the provisions of this section shall expire two years after the date on which his or her leave concluded.  (b) Upon being rehired pursuant to the provisions of this section, an employee shall regain any seniority and unused accrued paid leave he or she was entitled to prior to the leave, less any accrued paid leave used during the leave.  (c) Nothing in this section shall be construed to diminish an employee's rights pursuant to subsection 472(f) of this chapter.  (d)(1) An employee aggrieved by an employer's failure to comply with the provisions of this section may bring an action in the Civil Division of the Superior Court in the county where the employment is located for compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, and other appropriate relief.  (2) A copy of the complaint shall be filed with the Commissioner of Labor.  (3) The court shall award reasonable attorney's fees to the employee if he or she prevails. | (3) An employee's right to be rehired pursuant to the provisions of this section shall expire two years after the date on which his or her leave concluded.  (b) Upon being rehired pursuant to the provisions of this section, an employee shall regain any seniority and unused accrued paid leave he or she was entitled to prior to the leave, less any accrued paid leave used during the leave.  (c) Nothing in this section shall be construed to diminish an employee's rights pursuant to subsection 472(f) of this chapter.  (d)(1) An employee aggrieved by an employer's failure to comply with the provisions of this section may bring an action in the Civil Division of the Superior Court in the county where the employment is located for compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, and other appropriate relief.  (2) A copy of the complaint shall be filed with the Commissioner of Labor.  (3) The court shall award reasonable attorney's fees to the employee if he or she prevails. |
| § 582 | § 582. PROTECTION FROM RETALIATION OR  INTERFERENCE  (a) An employer shall not discharge or in any other manner retaliate against an employee who exercises or attempts to exercise his or her rights under this subchapter. The provisions against retaliation in subdivision 495(a)(8) of this title shall apply to this subchapter.  (b) An employer shall not interfere with, restrain, or otherwise prevent an employee from exercising or attempting to exercise his or her rights pursuant to this subchapter.  (c) An employee aggrieved by a violation of the provisions of this subchapter may bring an action in Superior Court seeking compensatory and punitive damages or equitable relief, including restraint of prohibited acts, restitution of wages or other benefits, reinstatement, costs, reasonable attorney's fees, and other appropriate relief. | Same   | Same  Same   |
| § 583 | § 583. CONFIDENTIALITY OF INFORMATION  (a) Information obtained from an employer or individual in the administration of this subchapter and determinations of an individual's right to receive benefits that reveal an employer's or individual's identity in any manner shall be kept confidential and, to the extent that such information is obtained by the State, shall be exempt from public inspection and copying under the Public Records Act. Such information shall not be admissible  | Same   | Same   |

|     | Key: |  |
|-----|------|--|
| - 1 |      |  |

#### Changes from the previous version

certification of a serious health condition under the Family and

Medical Leave Act;

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

|       | as evidence in any action or proceeding other than one brought       |   |   |
|-------|--|---|---|
|       | pursuant to the provisions of this subchapter.                       |   |   |
|       | (b) Notwithstanding subsection (a) of this section:                  |   |   |
|       | (1) an individual or his or her duly authorized agent may            |   |   |
|       | be provided with information to the extent necessary for the         |   |   |
|       | proper presentation of his or her claim for benefits or to inform    |   |   |
|       | him or her of his or her existing or prospective rights to benefits; |   |   |
|       | and  |   |   |
|       | (2) an employer may be provided with information that                |   |   |
|       | the Commissioner of Financial Regulation, of Labor, or of            |   |   |
|       | Taxes determines is necessary to enable the employer to              |   |   |
|       | discharge fully its obligations and protect its rights under this    |   |   |
|       | subchapter.  |   |   |
| § 584 | § 584. RULEMAKING  | § 584. RULEMAKING   | § 584. RULEMAKING   |
| 8 304 | (a) The Commissioner of Taxes shall adopt rules as                   | (a) The Commissioner of Taxes shall adopt rules as                | (a) The Commissioner of Taxes shall adopt rules as                |
|       | necessary to implement the provisions of section 574 of this         | necessary to implement the provisions of section 574 of this      | necessary to implement the provisions of section 574 of this      |
|       | subchapter. The rules adopted by the Commissioner of Taxes           | subchapter. The rules adopted by the Commissioner of Taxes        | subchapter. The rules adopted by the Commissioner of Taxes        |
|       | shall include:   | shall include:  | shall include:  |
|       | (1) procedures for the collection of contributions; and              |   | (1) procedures for the collection of contributions;               |
|       |  | (1) procedures for the collection of contributions;               |   |
|       | (2) reporting and record-keeping requirements for                    | (2) reporting and record-keeping requirements for                 | (2) reporting and record-keeping requirements for                 |
|       | employers.  (b) The Commissioner of Financial Regulation shall adopt | employers; and  | employers; and  |
|       | (b) The Commissioner of Financial Regulation shall adopt             | (3) requirements for forms related to enrollment in               | (3) requirements for forms related to enrollment in               |
|       | rules as necessary to implement the provisions of section 577 of     | medical leave coverage and discontinuance of medical leave        | medical leave coverage and discontinuance of medical leave        |
|       | this subchapter. The rules adopted by the Commissioner of            | coverage.   | coverage.   |
|       | Financial Regulation shall include requirements and criteria for     | (b) The Commissioner of Financial Regulation shall adopt          | (b) The Commissioner of Financial Regulation shall adopt          |
|       | the approval of an employer's alternative insurance or benefit       | rules as necessary to implement the provisions of section 577 of  | rules as necessary to implement the provisions of section 577 of  |
|       | plan pursuant to section 577 of this subchapter and for              | this subchapter. The rules adopted by the Commissioner of         | this subchapter. The rules adopted by the Commissioner of         |
|       | determining whether a proposed plan provides benefits that are       | Financial Regulation shall include requirements and criteria for  | Financial Regulation shall include requirements and criteria for  |
|       | equivalent to or more generous than the benefits provided            | the approval of an employer's alternative insurance or benefit    | the approval of an employer's alternative insurance or benefit    |
|       | pursuant to this subchapter.   | plan pursuant to section 577 of this subchapter and for           | plan pursuant to section 577 of this subchapter and for           |
|       | (c) The Commissioner of Labor shall adopt rules as                   | determining whether a proposed plan provides benefits that are    | determining whether a proposed plan provides benefits that are    |
|       | necessary to implement all other provisions of this subchapter.      | equivalent to or more generous than the benefits provided         | equivalent to or more generous than the benefits provided         |
|       | The rules adopted by the Commissioner of Labor shall include:        | pursuant to this subchapter.                                      | pursuant to this subchapter.                                      |
|       | (1) acceptable documentation for demonstrating                       | (c)(1) The Commissioner of Labor shall adopt rules as             | (c)(1) The Commissioner of Labor shall adopt rules as             |
|       | eligibility for benefits;  | necessary to implement all other provisions of this subchapter.   | necessary to implement all other provisions of this subchapter.   |
|       | (2) requirements for providing certification from a health           | The rules adopted by the Commissioner of Labor shall include:     | The rules adopted by the Commissioner of Labor shall include:     |
|       | care provider of the need for family leave that are modeled on       | (A) acceptable documentation for demonstrating                    | (A) acceptable documentation for demonstrating                    |
|       | the federal rules governing certification of a serious health        | eligibility for benefits;   | eligibility for benefits;   |
|       | condition under the Family and Medical Leave Act;                    | (B) requirements for providing certification from a               | (B) requirements for providing certification from a               |
|       | (3) requirements for obtaining authorization for an                  | health care provider of the need for family care leave or medical | health care provider of the need for family care leave or medical |
|       | individual's health care provider to disclose information            | leave that are modeled on the federal rules governing             | leave that are modeled on the federal rules governing             |
|       | nagagary to make a determination of the individual's aligibility     | contification of a serious health condition under the Family and  | cartification of a serious health condition under the Family and  |

certification of a serious health condition under the Family and

Medical Leave Act;

necessary to make a determination of the individual's eligibility

for benefits; and

|                   | (4) procedures for appeals pursuant to subsection 579(b)            | (C) requirements for obtaining authorization for an                 | (C) requirements for obtaining authorization for an                 |
|-------------------|---|---|---|
|                   | of this subchapter.   | individual's health care provider to disclose information           | individual's health care provider to disclose information           |
|                   |   | necessary to make a determination of the individual's eligibility   | necessary to make a determination of the individual's eligibility   |
|                   |   | for benefits;   | for benefits;   |
|                   |   | (D) procedures for appeals pursuant to                              | (D) procedures for appeals pursuant to                              |
|                   |   | subsection 579(b) of this subchapter; and                           | subsection 579(b) of this subchapter; and                           |
|                   |   | (E) rules to permit an employee to authorize the                    | (E) rules to permit an employee to authorize the                    |
|                   |   | Department, in compliance with all applicable provisions of         | Department, in compliance with all applicable provisions of         |
|                   |   | federal law, to disclose unemployment insurance information to      | federal law, to disclose unemployment insurance information to      |
|                   |   | the insurance carrier as necessary to determine if the employee     | the insurance carrier as necessary to determine if the employee     |
|                   |   | meets the requirements to be a qualified employee as defined        | meets the requirements to be a qualified employee as defined        |
|                   |   | pursuant to subdivision 571(10) of this subchapter.                 | pursuant to subdivision 571(10) of this subchapter.                 |
|                   |   | (2) The Commissioner of Labor shall create a form that              | (2) The Commissioner of Labor shall create a form that              |
|                   |   | will permit an employee to provide informed consent for the         | will permit an employee to provide informed consent for the         |
|                   |   | Department to disclose unemployment insurance information to        | Department to disclose unemployment insurance information to        |
|                   |   | the insurance carrier as necessary to determine if the employee     | the insurance carrier as necessary to determine if the employee     |
|                   |   | meets the requirements to be a qualified employee as defined        | meets the requirements to be a qualified employee as defined        |
|                   |   | pursuant to subdivision 571(10) of this subchapter. The form        | pursuant to subdivision 571(10) of this subchapter. The form        |
|                   |   | shall satisfy all applicable requirements under federal law.        | shall satisfy all applicable requirements under federal law.        |
| § 585             | § 585. FAMILY AND MEDICAL LEAVE INSURANCE                           | § 585. FAMILY AND MEDICAL LEAVE INSURANCE                           | § 585. FAMILY AND MEDICAL LEAVE INSURANCE                           |
|                   | SPECIAL FUND  | SPECIAL FUND  | SPECIAL FUND  |
|                   | The Family and Medical Leave Insurance Special Fund is              | The Family and Medical Leave Insurance Special Fund is              | The Family and Medical Leave Insurance Special Fund is              |
|                   | created pursuant to 32 V.S.A. chapter 7, subchapter 5. The          | created pursuant to 32 V.S.A. chapter 7, subchapter 5. The          | created pursuant to 32 V.S.A. chapter 7, subchapter 5. The          |
|                   | Fund shall consist of contributions collected from employers        | Fund shall consist of contributions collected from employers        | Fund shall consist of contributions collected from employers        |
|                   | pursuant to section 574 of this subchapter. The Fund may be         | pursuant to section 574 of this subchapter. The Fund may be         | pursuant to section 574 of this subchapter. The Fund may be         |
|                   | expended by the Commissioners of Financial Regulation, of           | expended by the Commissioner of Taxes for the payment of            | expended by the Commissioner of Taxes for the payment of            |
|                   | Labor, and of Taxes for the payment of premiums for and the         | premiums related to the Family and Medical Leave Insurance          | premiums related to the Family and Medical Leave Insurance          |
|                   | administration of the Family and Medical Leave Insurance            | Program and by the Commissioners of Financial Regulation, of        | Program and by the Commissioners of Financial Regulation, of        |
|                   | Program. All interest earned on Fund balances shall be credited     | Labor, and of Taxes for the administration of the Family and        | Labor, and of Taxes for the administration of the Family and        |
|                   | to the Fund.  | Medical Leave Insurance Program. All interest earned on Fund        | Medical Leave Insurance Program. All interest earned on Fund        |
|                   |   | <u>balances shall be credited to the Fund.</u>                      | balances shall be credited to the Fund.                             |
| Sec. 3. 21 V.S.A. | § 586. OVERPAYMENT OF BENEFITS; COLLECTION                          | § 586. OVERPAYMENT OF BENEFITS; COLLECTION                          | § 586. OVERPAYMENT OF BENEFITS; COLLECTION                          |
| § 586             | (a)(1) Any individual who by nondisclosure or                       | (a)(1) Any individual who by nondisclosure or                       | (a)(1) Any individual who by nondisclosure or                       |
|                   | misrepresentation of a material fact, by him or her, or by another  | misrepresentation of a material fact, by him or her or by another   | misrepresentation of a material fact, by him or her or by another   |
|                   | person, has received Family and Medical Leave Insurance             | person, has received Family and Medical Leave Insurance             | person, has received Family and Medical Leave Insurance             |
|                   | benefits when he or she failed to fulfill a requirement for the     | benefits when he or she failed to fulfill a requirement for the     | benefits when he or she failed to fulfill a requirement for the     |
|                   | receipt of benefits pursuant to this chapter or while he or she     | receipt of benefits pursuant to this chapter or while he or she     | receipt of benefits pursuant to this chapter or while he or she     |
|                   | was disqualified from receiving benefits pursuant to section 580    | was disqualified from receiving benefits pursuant to section 578    | was disqualified from receiving benefits pursuant to section 578    |
|                   | of this chapter shall be liable to repay to the Commissioner of     | of this chapter shall be liable to repay to the Commissioner of     | of this chapter shall be liable to repay to the Commissioner of     |
|                   | <u>Labor the amount received.</u>                                   | Labor the amount received.  | <u>Labor the amount received.</u>                                   |
|                   | (2) Upon determining that an individual has received                | (2) Upon determining that an individual has received                | (2) Upon determining that an individual has received                |
|                   | benefits under this chapter that he or she was not entitled to, the | benefits under this chapter that he or she was not entitled to, the | benefits under this chapter that he or she was not entitled to, the |
|                   | Commissioner of Labor shall provide the individual with notice      | Commissioner of Labor shall provide the individual with notice      | Commissioner of Labor shall provide the individual with notice      |
|                   | of the determination. The notice shall include a statement that     | of the determination. The notice shall include a statement that     | of the determination. The notice shall include a statement that     |

Key:
Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

the individual is liable to repay to the Commissioner the amount of overpaid benefits and shall identify the basis of the overpayment and the time period in which the benefits were

- (3) The determination shall be made within not more than three years after the date of the overpayment.
- (b)(1) An individual liable under this section shall repay the overpaid amount to the Commissioner for deposit into the Fund
- (2) If the Commissioner finds that the individual intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, in addition to the repayment under subdivision (1) of this subsection, the person shall pay an additional penalty of 15 percent of the amount of the overpaid benefits, which shall also be deposited into the Fund.
- (3) The Commissioner may collect the amounts due under this section in civil action in the Superior Court.
- (c) If an individual is liable to repay any amount pursuant to this section, the Commissioner may withhold, in whole or in part, any future benefits payable to the individual pursuant to this chapter and credit the withheld benefits against the amount due from the individual until it is repaid in full, less any penalties assessed under subdivision (b)(2) of this section.
- (d) In addition to the remedy provided pursuant to this section, an individual who intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits may be subject to the penalties provided pursuant to section 580 of this title.

#### Sec. 4. Adoption of Rules

#### Sec. 4. ADOPTION OF RULES

- (a) On or before January 1, 2020, the Commissioner of Taxes shall adopt rules necessary to implement the provisions of 21 V.S.A. § 574, which shall include:
  - (1) procedures for the collection of contributions; and
- (2) reporting and record-keeping requirements for employers.
- (b) On or before January 1, 2020, the Commissioner of Financial Regulation shall adopt rules as necessary to implement | medical leave coverage and discontinuance of medical leave the provisions of section 577 of this subchapter. The rules adopted by the Commissioner of Financial Regulation shall include requirements and criteria for the approval of an employer's alternative insurance or benefit plan pursuant to 21 V.S.A. § 577 and for determining whether a proposed plan provides benefits that are equivalent to or more generous than

the individual is liable to repay to the Commissioner the amount of overpaid benefits and shall identify the basis of the overpayment and the time period in which the benefits were paid.

- (3) The determination shall be made within not more than three years after the date of the overpayment.
- (b)(1) An individual liable under this section shall repay the overpaid amount to the Commissioner for deposit into the Family and Medical Leave Insurance Special Fund.
- (2) If the Commissioner finds that the individual intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, in addition to the repayment under subdivision (1) of this subsection, the person shall pay an additional penalty of 15 percent of the amount of the overpaid benefits, which shall also be deposited into the Fund.
- (3) The Commissioner may collect the amounts due under this section in civil action in the Superior Court.
- (c) If an individual is liable to repay any amount pursuant to this section, the Commissioner may withhold, in whole or in part, any future benefits payable to the individual pursuant to this chapter and credit the withheld benefits against the amount due from the individual until it is repaid in full, less any penalties assessed under subdivision (b)(2) of this section.
- (d) In addition to the remedy provided pursuant to this section, an individual who intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits may be subject to the penalties provided pursuant to section 580 of this title.

#### Sec. 4. ADOPTION OF RULES

- (a) On or before January 1, 2020, the Commissioner of Taxes shall adopt rules necessary to implement the provisions of 21 V.S.A. § 574, which shall include:
  - (1) procedures for the collection of contributions;
- (2) reporting and record-keeping requirements for employers; and
- (3) requirements for forms related to enrollment in coverage.
- (b) On or before January 1, 2020, the Commissioner of Financial Regulation shall adopt rules as necessary to implement the provisions of 21 V.S.A. § 577. The rules adopted by the Commissioner of Financial Regulation shall include requirements and criteria for the approval of an employer's

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

the individual is liable to repay to the Commissioner the amount of overpaid benefits and shall identify the basis of the overpayment and the time period in which the benefits were

- (3) The determination shall be made within not more than three years after the date of the overpayment.
- (b)(1) An individual liable under this section shall repay the overpaid amount to the Commissioner for deposit into the Family and Medical Leave Insurance Special Fund.
- (2) If the Commissioner finds that the individual intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, in addition to the repayment under subdivision (1) of this subsection, the person shall pay an additional penalty of 15 percent of the amount of the overpaid benefits, which shall also be deposited into the Fund.
- (3) The Commissioner may collect the amounts due under this section in civil action in the Superior Court.
- (c) If an individual is liable to repay any amount pursuant to this section, the Commissioner may withhold, in whole or in part, any future benefits payable to the individual pursuant to this chapter and credit the withheld benefits against the amount due from the individual until it is repaid in full, less any penalties assessed under subdivision (b)(2) of this section.
- (d) In addition to the remedy provided pursuant to this section, an individual who intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits may be subject to the penalties provided pursuant to section 580 of this title.

#### Sec. 4. ADOPTION OF RULES

- (a) Not later than 215 calendar days after the effective date of this act, the Commissioner of Taxes shall adopt rules necessary to implement the provisions of 21 V.S.A. § 574, which shall include:
  - (1) procedures for the collection of contributions;
- (2) reporting and record-keeping requirements for employers; and
- (3) requirements for forms related to enrollment in medical leave coverage and discontinuance of medical leave coverage.
- (b) Not later than 215 calendar days after the effective date of this act, the Commissioner of Financial Regulation shall adopt rules as necessary to implement the provisions of 21 V.S.A. § 577. The rules adopted by the Commissioner of

January 22, 2020

|                   | the benefits provided pursuant to 21 V.S.A. chapter 5,            | alternative insurance or benefit plan pursuant to 21 V.S.A. § 577  | Financial Regulation shall include requirements and criteria for   |
|-------------------|---|--|--|
|                   | subchapter 13.  | and for determining whether a proposed plan provides benefits  | the approval of an employer's alternative insurance or benefit     |
|                   | (c) On or before June 1, 2020, the Commissioner of Labor          | that are equivalent to or more generous than the benefits  | plan pursuant to 21 V.S.A. § 577 and for determining whether a     |
|                   | shall adopt rules necessary to implement all other provisions of  | provided pursuant to 21 V.S.A. chapter 5, subchapter 13.   | proposed plan provides benefits that are equivalent to or more     |
|                   | 21 V.S.A. chapter 5, subchapter 13, which shall include:          | (c) On or before June 1, 2020, the Commissioner of Labor   | generous than the benefits provided pursuant to 21 V.S.A.          |
|                   | (A) acceptable documentation for demonstrating eligibility        | shall adopt rules necessary to implement all other provisions of   | chapter 5, subchapter 13.  |
|                   | for benefits;   | 21 V.S.A. chapter 5, subchapter 13, which shall include:   | (c) Not later than one year after the effective date of this act,  |
|                   | (B) requirements for providing certification from a               | (1) acceptable documentation for demonstrating   | the Commissioner of Labor shall adopt rules necessary to           |
|                   | health care provider of the need for family leave that are        | eligibility for benefits;  | implement all other provisions of 21 V.S.A. chapter 5,             |
|                   | modeled on the federal rules governing certification of a serious | (2) requirements for providing certification from a health   | subchapter 13, which shall include:                                |
|                   | health condition under the Family and Medical Leave Act;          | care provider of the need for family care leave or medical leave   | (1) acceptable documentation for demonstrating                     |
|                   |   |  |  |
|                   | (C) requirements for obtaining authorization for an               | that are modeled on the federal rules governing certification of a   | eligibility for benefits;  |
|                   | individual's health care provider to disclose information         | serious health condition under the Family and Medical  | (2) requirements for providing certification from a health         |
|                   | necessary to make a determination of the individual's eligibility | Leave Act;   | care provider of the need for family care leave or medical leave   |
|                   | for benefits;   | (3) requirements for obtaining authorization for an  | that are modeled on the federal rules governing certification of a |
|                   | (D) procedures for appealing a decision pursuant to 21            | <u>individual's health care provider to disclose information</u>   | serious health condition under the Family and Medical              |
|                   | <u>V.S.A. § 579(b)(2); and</u>                                    | necessary to make a determination of the individual's eligibility  | Leave Act;   |
|                   | (E) the establishment of the existence of an in loco              | for benefits;  | (3) requirements for obtaining authorization for an                |
|                   | parentis relationship between an employee and another             | (4) procedures for appealing a decision pursuant to 21   | <u>individual's health care provider to disclose information</u>   |
|                   | individual.   | V.S.A. § 579(b);   | necessary to make a determination of the individual's eligibility  |
|                   |   | (5) the establishment of the existence of an in loco   | for benefits;  |
|                   |   | parentis relationship between an employee and another  | (4) procedures for appealing a decision pursuant to 21             |
|                   |   | individual; and  | V.S.A. § 579(b);   |
|                   |   | (6) rules to permit an employee to authorize the   | (5) the establishment of the existence of an in loco               |
|                   |   | Department, in compliance with all applicable provisions of  | parentis relationship between an employee and another              |
|                   |   | federal law, to disclose unemployment insurance information to   | individual; and  |
|                   |   | the insurance carrier as necessary to determine if the employee  | (6) rules to permit an employee to authorize the                   |
|                   |   | The state of the s |  |
|                   |   | meets the requirements to be a qualified employee as defined   | Department, in compliance with all applicable provisions of        |
|                   |   | pursuant to subdivision 571(10) of this chapter.   | federal law, to disclose unemployment insurance information to     |
|                   |   |  | the insurance carrier as necessary to determine if the employee    |
|                   |   |  | meets the requirements to be a qualified employee as defined       |
|                   |   |  | pursuant to subdivision 571(10) of this chapter.                   |
| Sec. 5. Education | Sec. 5. EDUCATION AND OUTREACH                                    | Same   | Sec. 5. EDUCATION AND OUTREACH                                     |
| and Outreach      | On or before June 1, 2020, the Commissioner of Labor shall        |  | (a) Not later than one year after the effective date of this act,  |
|                   | develop and make available on the Department of Labor's           |  | the Commissioner of Labor shall develop and make available on      |
|                   | website information and materials to educate and inform           |  | the Department of Labor's website:                                 |
|                   | employers and employees about the Family and Medical Leave        |  | (1) information and materials to educate and inform                |
|                   | Insurance Program established pursuant to 21 V.S.A. chapter 5,    |  | employers and employees about the Family and Medical Leave         |
|                   | subchapter 13.  |  | Insurance Program established pursuant to 21 V.S.A. chapter 5,     |
|                   | succinapter 15t   |  | subchapter 13; and   |
|                   |   |  | (2) a model poster providing notice of the provisions of           |
|                   |   |  | 21 V.S.A. chapter 5, subchapter 13.                                |
|                   |   |  | (b) On or before June 15, 2021, an employer shall provide          |
|                   |   |  | written notice of the provisions of 21 V.S.A. chapter 5,           |
|                   |   |  | written house of the provisions of 21 v.s.A. Chapter 3,            |

Key:

Senate Provision Adopted by Committee of Conference

House Provision Adopted by Committee of Conference

Changes from the previous version

Key:
Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

|                                    |   |  | subchapter 13 to each employee who was employed by the employer on June 1, 2021.                                     |
|------------------------------------|---|--|--|
| Sec. 6.                            | Sec. 6. ESTABLISHMENT OF FAMILY AND MEDICAL   | Same   | Same   |
| Establishment of                   | LEAVE INSURANCE PROGRAM; EXPENDITURES FROM SPECIAL FUND   |  |  |
| FMLI Program;<br>Expenditures from | The Commissioner of Finance and Management may,   |  |  |
| Special Fund                       | pursuant to 32 V.S.A. § 588(4)(C), issue warrants for   |  |  |
|                                    | expenditures from the Family and Medical Leave Insurance  |  |  |
|                                    | Special Fund necessary to establish the Family and Medical  |  |  |
|                                    | Leave Insurance Program in anticipation of the receipt on or  |  |  |
|                                    | after April 1, 2020 of contributions submitted pursuant to 21   |  |  |
| Sec. 7. Adequacy                   | V.S.A. §§ 573 and 574. Sec. 7. ADEQUACY OF RESERVES; REPORT   | Same   | Sec. 7. ADEQUACY OF RESERVES; REPORT   |
| of Reserves; Report                | Annually, on or before January 15, 2021, 2022, and 2023, the  | Same   | Annually, on or before January 15, 2022, 2023, and 2024, the   |
| or reserves, report                | Commissioner of Labor, in consultation with the Commissioners   |  | Commissioner of Labor, in consultation with the Commissioners  |
|                                    | of Finance and Management, of Financial Regulation, and of  |  | of Finance and Management, of Financial Regulation, and of   |
|                                    | Taxes, shall submit a written report to the House Committees on   |  | Taxes, shall submit a written report to the House Committees on  |
|                                    | Appropriations, on General, Housing, and Military Affairs, and  |  | Appropriations, on General, Housing, and Military Affairs, and   |
|                                    | on Ways and Means and the Senate Committees on  |  | on Ways and Means and the Senate Committees on   |
|                                    | Appropriations, on Economic Development, Housing and General Affairs, and on Finance regarding the amount and                     |  | Appropriations, on Economic Development, Housing and General Affairs, and on Finance regarding the amount and        |
|                                    | adequacy of the reserves in the Family and Medical Leave  |  | adequacy of the reserves in the Family and Medical Leave   |
|                                    | Insurance Special Fund and any recommendations for legislative  |  | Insurance Special Fund and any recommendations for legislative   |
|                                    | action necessary to ensure that an adequate reserve is maintained   |  | action necessary to ensure that an adequate reserve is maintained  |
|                                    | in the Fund.  |  | in the Fund.   |
| Sec. 8. 21                         | § 471. DEFINITIONS  | § 471. DEFINITIONS   | § 471. DEFINITIONS   |
| V.S.A. § 471                       | As used in this subchapter:   | As used in this subchapter:  | As used in this subchapter:  |
|                                    | (1) "Employer" means an individual, organization or,  | (1) "Employer" means an individual, organization or, governmental body, partnership, association, corporation, legal | (1) "Employer" means an individual, organization or, governmental body, partnership, association, corporation, legal |
|                                    | governmental body, partnership, association, corporation, legal representative, trustee, receiver, trustee in bankruptcy, and any | representative, trustee, receiver, trustee in bankruptcy, and any  | representative, trustee, receiver, trustee in bankruptcy, and any  |
|                                    | common carrier by rail, motor, water, air or express company  | common carrier by rail, motor, water, air or express company   | common carrier by rail, motor, water, air or express company   |
|                                    | doing business in or operating within this State which for the  | doing business in or operating within this State which for the   | doing business in or operating within this State which for the   |
|                                    | purposes of parental leave that employs 10 or more individuals  | purposes of parental leave that employs 10 or more individuals   | purposes of parental leave that employs 10 or more individuals   |
|                                    | who are employed for an average of at least 30 hours per week   | who are employed for an average of at least 30 hours per week  | who are employed for an average of at least 30 hours per week  |
|                                    | during a year and for the purposes of family leave employs 15 or  | during a year and for the purposes of family leave employs 15 or   | during a year and for the purposes of family leave employs 15 or   |
|                                    | more individuals for an average of at least 30 hours per week   | more individuals for an average of at least 30 hours per week  | more individuals for an average of at least 30 hours per week  |
|                                    | during a year.  * * *   | during a year.  * * *  | during a year.  * * *  |
|                                    | (3) "Family leave" means a leave of absence from  | (3) "Family leave" means a leave of absence from   | (3) "Family leave" means a leave of absence from   |
|                                    | employment by an employee who works for an employer which   | employment by an employee who works for an employer which  | employment by an employee who works for an employer which  |
|                                    | that employs $\frac{15}{10}$ or more individuals who are employed for an  | that employs $\frac{15}{10}$ or more individuals who are employed for an   | that employs 15 10 or more individuals who are employed for an   |
|                                    | average of at least 30 hours per week during the year for one of  | average of at least 30 hours per week during the year for one of   | average of at least 30 hours per week during the year for one of   |
|                                    | the following reasons:  | the following reasons:   | the following reasons:   |
|                                    | (A) the serious illness of the employee; <del>or</del>  | (A) the serious illness of the employee; <del>or</del>   | (A) the serious illness of the employee; <del>or</del>   |

January 22, 2020

| 11   |
|--|
|  |
| (B) the serious illness of the employee's child,                 |
| stepchild or ward who lives with the employee, foster child,     |
| parent, spouse or parent of the employee's spouse family         |
| member;  |
| (4) "Parental leave" means a leave of absence from               |
| employment by an employee who works for an employer which        |
| employs 10 or more individuals who are employed for an           |
| average of at least 30 hours per week during the year for one of |
| the following reasons:   |
| (C) the employee's pregnancy;                                    |
| (A)(D) the birth of the employee's child; or                     |
| (B)(E) the initial placement of a child 16 18 years of           |
| age or younger with the employee for the purpose of adoption or  |
| <u>foster care</u> .   |
| (4) "Family member" means the employee's:                        |
| (A) child, step child or ward who lives with the                 |
| employee, or foster child;                                       |
| (B) spouse, domestic partner, or civil union partner;            |
| (C) parent or the parent of the employee's spouse,               |
| domestic partner, or civil union partner;                        |
| (D) grandchild;  |
| (E) grandparent; or  |
| (F) a child for whom the employee stands in loco                 |

employee when he or she was a child.

(6) "Commissioner" means the Commissioner of Labor. (7) "Domestic partner" has the same meaning as in 17

V.S.A. § 2414.

(8) "In loco parentis" means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

parentis or an individual who stood in loco parentis for the

Sec. 9. 21 V.S.A. § 472

#### § 472. FAMILY LEAVE

- (a) During any 12-month period, an employee shall be entitled to take-unpaid leave for a period not to exceed 12 weeks for the following reasons:
- (1) for parental leave, during the employee's pregnancy
  - (2) following the birth of an the employee's child or;

- (B) the serious illness of the employee's child, stepchild or ward who lives with the employee, foster child, parent, spouse or parent of the employee's spouse family member;
- (4) "Parental leave" means a leave of absence from employment by an employee who works for an employer which employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:
  - (C) the employee's pregnancy;
  - (A)(D) the birth of the employee's child; or
- (B)(E) the initial placement of a child 16 18 years of age or younger with the employee for the purpose of adoption or foster care.
  - (4) "Family member" means:
    - (A) the employee's child or foster child:
    - (B) a step child or ward who lives with the employee;
- (C) the employee's spouse, domestic partner, or civil union partner;
- (D) the employee's parent or the parent of the employee's spouse, domestic partner, or civil union partner;
  - (E) the employee's sibling;
  - (F) the employee's grandparent;
  - (G) the employee's grandchild; or
- (H) a child for whom the employee stands in loco parentis or an individual who stood in loco parentis for the employee when he or she was a child.

- (6) "Commissioner" means the Commissioner of Labor.
- (7) "Domestic partner" has the same meaning as in 17 V.S.A. § 2414.
- (8) "In loco parentis" means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

#### § 472. FAMILY LEAVE

- (a) During any 12-month period, an employee shall be entitled to take-unpaid leave for a period not to exceed 12 weeks for the following reasons:
- (1) for parental leave, during the employee's pregnancy and:
  - (2) following the birth of an the employee's child or;

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- (B) the serious illness of the employee's child, stepchild or ward who lives with the employee, foster child, parent, spouse or parent of the employee's spouse family member:
- (4) "Parental leave" means a leave of absence from employment by an employee who works for an employer which employs 10 or more individuals who are employed for an average of at least 30 hours per week during the year for one of the following reasons:
  - (C) the employee's pregnancy;
  - (A)(D) the birth of the employee's child; or
- (B)(E) the initial placement of a child 16 18 years of age or younger with the employee for the purpose of adoption or foster care.
  - (4) "Family member" means:
    - (A) the employee's child or foster child;
    - (B) a step child or ward who lives with the employee;
- (C) the employee's spouse, domestic partner, or civil union partner;
- (D) the employee's parent or the parent of the employee's spouse, domestic partner, or civil union partner;
  - (E) the employee's sibling;
  - (F) the employee's grandparent;
  - (G) the employee's grandchild; or
- (H) a child for whom the employee stands in loco parentis or an individual who stood in loco parentis for the employee when he or she was a child.

- (6) "Commissioner" means the Commissioner of Labor.
- (7) "Domestic partner" has the same meaning as in 17 V.S.A. § 2414.
- (8) "In loco parentis" means a child for whom the employee has day-to-day responsibilities to care for and financially support, or, in the case of the employee, an individual who had such responsibility for the employee when he or she was a child.

#### § 472. FAMILY LEAVE

- (a) During any 12-month period, an employee shall be entitled to take-unpaid leave for a period not to exceed 12 weeks for the following reasons:
- (1) for parental leave, during the employee's pregnancy and:
  - (2) following the birth of an the employee's child or;

- (3) within a year following the initial placement of a child 16 18 years of age or younger with the employee for the purpose of adoption- or foster care;
- (2)(4) for family leave, for the serious illness of the employee; or
- (5) the serious illness of the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse family member.
- (b) During the leave, at the employee's option, the employee may use accrued sick leave of, vacation leave of, any other accrued paid leave, not to exceed six weeks Family and Medical Leave Insurance benefits pursuant to subchapter 13 of this chapter, or short-term disability insurance or other insurance benefits. Utilization Use of accrued paid leave, Family and Medical Leave Insurance benefits, or other insurance benefits shall not extend the leave provided herein by this section.

\* \* \*

- (d) The employer shall post and maintain in a conspicuous place in and about each of his or her its places of business printed notices of the provisions of this subchapter on forms provided by the Commissioner of Labor.
- (e)(1) An employee shall give <u>his or her employer</u> reasonable written notice of intent to take <u>family</u> leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.
- (2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.
- (3) In the case of an unanticipated serious illness or premature birth, the employee shall give the employer notice of the commencement of the leave as soon as practicable.
- (4) In the case of serious illness of the employee or a member of the employee's family, an employer may require certification from a physician to verify the condition and the amount and necessity for the leave requested.
- (5) An employee may return from leave earlier than estimated upon approval of the employer.
- (6) An employee shall provide reasonable notice to the employer of his or her need to extend the leave to the extent provided by this chapter.

\* \* \*

(h) Except for serious illness of the employee, an employee who does not return to employment with the employer who

- (3) within a year following the initial placement of a child 16 18 years of age or younger with the employee for the purpose of adoption- or foster care;
- (2)(4) for family leave, for the serious illness of the employee; or
- (5) the serious illness of the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse family member.
- (b) During the leave, at the employee's option, the employee may use accrued sick leave of, vacation leave of, any other accrued paid leave, not to exceed six weeks Family and Medical Leave Insurance benefits pursuant to subchapter 13 of this chapter, or short-term disability insurance or other insurance benefits. Utilization Use of accrued paid leave, Family and Medical Leave Insurance benefits, or other insurance benefits shall not extend the leave provided herein by this section.

\* \* \*

- (d) The employer shall post and maintain in a conspicuous place in and about each of his or her its places of business printed notices of the provisions of this subchapter on forms provided by the Commissioner of Labor.
- (e)(1) An employee shall give <u>his or her employer</u> reasonable written notice of intent to take <u>family</u> leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.
- (2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.
- (3) In the case of an unanticipated serious illness or premature birth, the employee shall give the employer notice of the commencement of the leave as soon as practicable.
- (4) In the case of serious illness of the employee or a member of the employee's family, an employer may require certification from a physician to verify the condition and the amount and necessity for the leave requested.
- (5) An employee may return from leave earlier than estimated upon approval of the employer.
- (6) An employee shall provide reasonable notice to the employer of his or her need to extend the leave to the extent provided by this chapter.

\* \* \*

(h) Except for  $\underline{a}$  serious illness of the employee, an employee who does not return to employment with the employer who

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

- (3) within a year following the initial placement of a child 16 18 years of age or younger with the employee for the purpose of adoption- or foster care;
- (2)(4) for family leave, for the serious illness of the employee; or
- (5) the serious illness of the employee's child, stepchild or ward of the employee who lives with the employee, foster child, parent, spouse, or parent of the employee's spouse family member.
- (b) During the leave, at the employee's option, the employee may use accrued sick leave of, vacation leave of, any other accrued paid leave, not to exceed six weeks Family and Medical Leave Insurance benefits pursuant to subchapter 13 of this chapter, or short-term disability insurance or other insurance benefits. Utilization Use of accrued paid leave, Family and Medical Leave Insurance benefits, or other insurance benefits shall not extend the leave provided herein by this section.

\* \* \*

- (d) The employer shall post and maintain in a conspicuous place in and about each of his or her its places of business printed notices of the provisions of this subchapter on forms provided by the Commissioner of Labor.
- (e)(1) An employee shall give <u>his or her employer</u> reasonable written notice of intent to take <u>family</u> leave under this subchapter. Notice shall include the date the leave is expected to commence and the estimated duration of the leave.
- (2) In the case of the adoption or birth of a child, an employer shall not require that notice be given more than six weeks prior to the anticipated commencement of the leave.
- (3) In the case of an unanticipated serious illness or premature birth, the employee shall give the employer notice of the commencement of the leave as soon as practicable.
- (4) In the case of serious illness of the employee or a member of the employee's family, an employer may require certification from a physician to verify the condition and the amount and necessity for the leave requested.
- (5) An employee may return from leave earlier than estimated upon approval of the employer.
- (6) An employee shall provide reasonable notice to the employer of his or her need to extend the leave to the extent provided by this chapter.

\* \* \*

(h) Except for  $\underline{a}$  serious illness of the employee, an employee who does not return to employment with the employer who

Key:
Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

|                        | provided the <u>family</u> leave shall return to the employer the value | provided the <u>family</u> leave shall return to the employer the value | provided the <u>family</u> leave shall return to the employer the value |
|------------------------|---|---|---|
|                        | of any compensation paid to or on behalf of the employee during         | of any compensation paid to or on behalf of the employee during         | of any compensation paid to or on behalf of the employee during         |
|                        | the leave, except payments of Family and Medical Leave                  | the leave, except payments of Family and Medical Leave                  | the leave, except payments of Family and Medical Leave                  |
|                        | <u>Insurance benefits and payments</u> for accrued sick leave or        | <u>Insurance benefits and payments</u> or for accrued sick leave or,    | <u>Insurance benefits and payments or</u> for accrued sick leave or,    |
|                        | vacation leave. An employer may elect to waive the rights               | vacation leave, or other paid leave. An employer may elect to           | vacation leave, or other paid leave. An employer may elect to           |
|                        | provided pursuant to this subsection.                                   | waive the rights provided pursuant to this subsection.                  | waive the rights provided pursuant to this subsection.                  |
| Sec. 10. 21 V.S.A.     | § 1344. DISQUALIFICATIONS   | Same  | Same  |
| § 1344                 | (a) An individual shall be disqualified for benefits:  * * *            |   |   |
|                        | (5) For any week with respect to which the individual is                |   |   |
|                        | receiving or has received remuneration in the form of:  ***             |   |   |
|                        | (F) Family and Medical Leave Insurance benefits                         |   |   |
|                        | pursuant to chapter 5, subchapter 13 of this title.                     |   |   |
|                        | * * *   |   |   |
| Sec. 11. 21 V.S.A.     | § 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;                           | Same  | Same  |
| § 1325                 | DISCLOSURE TO SUCCESSOR ENTITY  |   |   |
|                        | (a)(1) The Commissioner shall maintain an experience-rating             |   |   |
|                        | record for each employer. Benefits paid shall be charged against        |   |   |
|                        | the experience-rating record of each subject employer who               |   |   |
|                        | provided base-period wages to the eligible individual. Each             |   |   |
|                        | subject employer's experience-rating charge shall bear the same         |   |   |
|                        | ratio to total benefits paid as the total base-period wages paid by     |   |   |
|                        | that employer bear to the total base-period wages paid to the           |   |   |
|                        | individual by all base-period employers. The experience-rating          |   |   |
|                        | record of an individual subject base-period employer shall not          |   |   |
|                        | be charged for benefits paid to an individual under any of the          |   |   |
|                        | following conditions:   |   |   |
|                        | * * *   |   |   |
|                        | (G) The individual was employed by that employer as                     |   |   |
|                        | a result of another employee taking leave under chapter 5,              |   |   |
|                        | subchapter 13 of this title, and the individual's employment was        |   |   |
|                        | terminated as a result of the reinstatement of the other employee       |   |   |
|                        | following his or her leave under chapter 5, subchapter 13 of this       |   |   |
|                        | title.  |   |   |
|                        | * * *   |   |   |
| Sec. 12. Self-         | Sec. 12. SELF-EMPLOYED INDIVIDUAL; OPT-IN;                              | Same  | Sec. 12. SELF-EMPLOYED INDIVIDUAL; OPT-IN;                              |
| <b>Employed Opt-In</b> | REPORT  |   | REPORT  |
| Report                 | On or before January 15, 2021, the Commissioner of Labor,               |   | On or before January 15, 2022, the Commissioner of Labor,               |
|                        | <u>in consultation with the insurance carrier that the State has</u>    |   | in consultation with the insurance carrier that the State has           |
|                        | contracted with, if any, and the Commissioners of Financial             |   | contracted with, if any, and the Commissioners of Financial             |
|                        | Regulation and of Taxes, shall submit a written report to the           |   | Regulation and of Taxes, shall submit a written report to the           |
|                        | House Committee on General, Housing, and Military Affairs               |   | House Committee on General, Housing, and Military Affairs               |
|                        | and the Senate Committee on Economic Development, Housing               |   | and the Senate Committee on Economic Development, Housing               |

Key:
Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

|                             |   |      | Trouse I Tovision Adopted by Committee of Conference              |
|-----------------------------|---|------|---|
|                             | and General Affairs regarding the potential for permitting self-  |      | and General Affairs regarding the potential for permitting self-  |
|                             | employed individuals to elect to obtain coverage through the      |      | employed individuals to elect to obtain coverage through the      |
|                             | Family and Medical Leave Insurance Program. In particular, the    |      | Family and Medical Leave Insurance Program. In particular, the    |
|                             | report shall examine the experience of other states that allow    |      | report shall examine the experience of other states that allow    |
|                             | self-employed individuals to obtain coverage under their family   |      | self-employed individuals to obtain coverage under their family   |
|                             | and medical leave insurance programs, and the potential impact    |      | and medical leave insurance programs, and the potential impact    |
|                             | of permitting self-employed individuals to elect to obtain        |      | of permitting self-employed individuals to elect to obtain        |
|                             | coverage through the Family and Medical Leave Insurance           |      | coverage through the Family and Medical Leave Insurance           |
|                             | Program on the Program, contribution rates, and administrative    |      | Program on the Program, contribution rates, and administrative    |
|                             | costs. The report shall also include a recommendation for         |      | costs. The report shall also include a recommendation for         |
|                             | legislative action necessary to permit self-employed individuals  |      | legislative action necessary to permit self-employed individuals  |
|                             | to elect to obtain coverage through the Family and Medical        |      | to elect to obtain coverage through the Family and Medical        |
|                             | Leave Insurance Program.  |      | Leave Insurance Program.  |
| Sec. 13. Potential          | Sec. 13. POTENTIAL TRANSITION TO STATE-OPERATED                   | Same | Sec. 13. POTENTIAL TRANSITION TO STATE-OPERATED                   |
| <b>Transition to State-</b> | FAMILY AND MEDICAL LEAVE INSURANCE                                |      | FAMILY AND MEDICAL LEAVE INSURANCE                                |
| Operated Program            | PROGRAM; REPORT   |      | PROGRAM; REPORT   |
| o Promote a seguinar        | On or before January 15, 2023, the Commissioner of Labor,         |      | On or before January 15, 2024, the Commissioner of Labor,         |
|                             | in consultation with the Commissioners of Financial Regulation    |      | in consultation with the Commissioners of Financial Regulation    |
|                             | and of Taxes, shall report to the House Committee on General,     |      | and of Taxes, shall report to the House Committee on General,     |
|                             | Housing, and Military Affairs and the Senate Committee on         |      | Housing, and Military Affairs and the Senate Committee on         |
|                             | Economic Development, Housing and General Affairs regarding       |      | Economic Development, Housing and General Affairs regarding       |
|                             | the potential for transitioning the Family and Medical Leave      |      | the potential for transitioning the Family and Medical Leave      |
|                             | Insurance Program to a program that is fully administered and     |      | Insurance Program to a program that is fully administered and     |
|                             | operated by the State. The report shall identify the potential    |      | operated by the State. The report shall identify the potential    |
|                             | costs to the State of such a transition and the amount of time    |      | costs to the State of such a transition and the amount of time    |
|                             | necessary to successfully accomplish the transition, as well as   |      | necessary to successfully accomplish the transition, as well as   |
|                             | the expected impacts on contribution rates, administrative        |      | the expected impacts on contribution rates, administrative        |
|                             | efficiency, and the experience of employers and employees.        |      | efficiency, and the experience of employers and employees.        |
|                             | The report shall also examine and contrast the potential benefits |      | The report shall also examine and contrast the potential benefits |
|                             | and drawbacks of ensuring the solvency of a program that is       |      | and drawbacks of ensuring the solvency of a program that is       |
|                             | fully administered and operated by the State by either            |      | fully administered and operated by the State by either            |
|                             | maintaining a reserve or obtaining reinsurance. The report shall  |      | maintaining a reserve or obtaining reinsurance. The report shall  |
|                             | include a recommendation regarding whether the Family and         |      | include a recommendation regarding whether the Family and         |
|                             | Medical Leave Insurance Program should transition to a            |      | Medical Leave Insurance Program should transition to a            |
|                             | program that is fully administered and operated by the State.     |      | program that is fully administered and operated by the State.     |
| Sec. 14. 3 V.S.A.           | § 638. FAMILY AND MEDICAL LEAVE INSURANCE                         | Same | Same  |
| § 638                       | (a) All State employees shall be provided with family and         |      |   |
| 9 000                       | medical leave insurance that satisfies the requirements of 21     |      |   |
|                             | V.S.A. chapter 5, subchapter 13.                                  |      |   |
|                             | (b) The State shall bargain with the appropriate collective       |      |   |
|                             | bargaining representative for each bargaining unit of State       |      |   |
|                             | employees to determine:   |      |   |
|                             | (1) whether State employees will be covered by the                |      |   |
|                             | Family and Medical Leave Insurance Program or an alternative      |      |   |
|                             | 2 miles 1,10010m 20m of miles 1 10g1mil of mil afterinative       |      |   |

#### Key:

#### Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

| insurance or benefit plan established pursuant to 21 V.S.A.        |  |
|--|--|
| § 577;   |  |
| (2) if the State employees will be covered by the Family           |  |
| and Medical Leave Insurance Program, the portion of the            |  |
| contribution rate established pursuant to 21 V.SA. § 573 that the  |  |
| State and the employees will be responsible for; and               |  |
| (3) if the State employees will be covered by an                   |  |
| alternative insurance or benefit plan established pursuant to 21   |  |
| V.S.A. § 577, the cost of the program to the employees, and the    |  |
| length of leave and level of wage replacement that the             |  |
| employees will be eligible for.                                    |  |
| (c)(1) The contribution rate determined pursuant to                |  |
| subdivision (b)(2) of this section or the cost of the plan to the  |  |
| employees determined pursuant to subdivision (b)(3) of this        |  |
| section shall be the same for all State employees, regardless of   |  |
| whether the employees are permitted to collectively bargain        |  |
| pursuant to 3 V.S.A. chapter 27 or 28.                             |  |
| (2) The length of leave and level of wage replacement              |  |
| determined pursuant to subdivision (b)(3) of this section shall be |  |
| the same for all State employees, regardless of whether the        |  |
| employees are permitted to collectively bargain pursuant to 3      |  |
| <u>V.S.A. chapter 27 or 28.</u>                                    |  |
|  |  |

### Sec. 15. Outcome of RFP Process

### Sec. 15. OUTCOME OF REQUEST FOR PROPOSAL PROCESS; REPORT

level of wage replacement as other State employees.

(3) Notwithstanding subdivisions (1) and (2) of this subsection, the sworn Vermont State Police Officers below the rank of Lieutenant shall not be required to have the same rate of contribution or the same cost of the plan, length of leave, and

1 6'4 1 4 11' 1 1 4 4 21 37 6 4

On or before December 15, 2019, the Commissioner of Financial Regulation shall submit a written report summarizing the outcome of the request for proposal process to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

### Sec. 15. REQUEST FOR INFORMATION; REQUEST FOR PROPOSALS; REPORTS

(a) On or before July 15, 2019, the Commissioner of Financial Regulation shall submit a copy of the request for information to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(b) On or before September, 1, 2019, the Commissioner of Finance shall submit a brief summary of the responses to the request for information together with copies of all the responses to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The Commissioner of Financial Regulation may redact

### Sec. 15. REQUEST FOR INFORMATION; REQUEST FOR PROPOSALS; REPORTS

- (a) For calendar year 2020, not later than 15 calendar days after the request for information is issued pursuant to 21 V.S.A. § 572, the Commissioner of Financial Regulation shall submit a copy of the request for information to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.
- (b) For calendar year 2020, not later than 15 calendar days after the request for information is due pursuant to 21 V.S.A. § 572, the Commissioner of Finance shall submit a brief summary of the responses to the request for information together with copies of all the responses to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on

# Key: Changes from the previous version Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

confidential business information from the copies of the responses to the request for information before submitting them.

(c) On or before September 15, 2019, the Commissioner of Financial Regulation shall submit a copy of the request for proposals to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(d) On or before December 15, 2019, the Commissioner of Financial Regulation shall submit a written report summarizing the outcome of the request for proposal process to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The Commissioner of Financial Regulation may redact confidential business information from the copies of the responses to the request for information before submitting them.

- (c) For calendar year 2020, not later than 15 calendar days after the request for proposals is issued pursuant to 21 V.S.A. § 572, the Commissioner of Financial Regulation shall submit a copy of the request for proposals to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.
- (d) For calendar year 2020, not later than 15 calendar days after the Commissioner of Financial Regulation selects an insurance carrier pursuant to 21 V.S.A. § 572, the Commissioner of Financial Regulation shall submit a written report summarizing the outcome of the request for proposal process to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

#### Sec. 16. Plan for State-Operation of FMLI Program; Report

### Sec. 16. PLAN FOR STATE OPERATION OF FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance company to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b), the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall, on or before December 15, 2019, submit a written report outlining a plan for the State to operate the Family and Medical Leave Insurance Program to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The report shall include a detailed explanation of how the State will implement Family and Medical Leave Insurance Program and carry out the requirements of 21 V.S.A. chapter 5, subchapter 13, including specific details and requirements related to staffing, information technology development, the development of rules and procedures, ensuring adequate reserves in the Family and Medical Leave Insurance Special Fund, and, if appropriate, the utilization of one or more third-party administrators. The report

### Sec. 16. PLAN FOR STATE OPERATION OF FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance company to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b), the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall, on or before January 15, 2020, submit a written report outlining a plan for the State to operate the Family and Medical Leave Insurance Program to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The report shall include a detailed explanation of how the State will implement Family and Medical Leave Insurance Program and carry out the requirements of 21 V.S.A. chapter 5, subchapter 13, including specific details and requirements related to staffing, information technology development, the development of rules and procedures, ensuring adequate reserves in the Family and Medical Leave Insurance Special Fund, and, if appropriate, the utilization of one or more third-party administrators. The report

### Sec. 16. PLAN FOR STATE OPERATION OF FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

In the event that the Commissioner of Financial Regulation is unable to secure a suitable insurance carrier to provide paid family and medical leave insurance pursuant to the provisions of 21 V.S.A. § 572(b), the Commissioner of Labor, in consultation with the Commissioners of Financial Regulation and of Taxes, shall, not later than 60 calendar days after the deadline to select an insurance carrier pursuant to 21 V.S.A. § 572, submit a written report outlining a plan for the State to operate the Family and Medical Leave Insurance Program to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance. The report shall include a detailed explanation of how the State will implement Family and Medical Leave Insurance Program and carry out the requirements of 21 V.S.A. chapter 5, subchapter 13, including specific details and requirements related to staffing, information technology development, the development of rules and procedures, ensuring adequate reserves in the Family and Medical Leave Insurance Special Fund, and, if appropriate, the

| Key:  |  |  |  |
|---|--|--|--|
| Changes from the previous version                   |  |  |  |
| Senate Provision Adopted by Committee of Conference |  |  |  |
| House Provision Adopted by Committee of Conference  |  |  |  |

|                 | shall also in alvide a management of few any legislative action  | shall also include a management detice for any lasticities action | utilization of one or more third-party administrators. The report |
|-----------------|--|---|---|
|                 | shall also include a recommendation for any legislative action   | shall also include a recommendation for any legislative action    |   |
|                 | necessary for the State to successfully implement the Family and | necessary for the State to successfully implement the Family and  | shall also include a recommendation for any legislative action    |
|                 | Medical Leave Insurance Program.                                 | Medical Leave Insurance Program.                                  | necessary for the State to successfully implement the Family and  |
|                 |  |   | Medical Leave Insurance Program.                                  |
| Sec. 17.        | Sec. 17. APPROPRIATIONS; POSITIONS                               | Sec. 17. APPROPRIATIONS; POSITIONS                                | Sec. 17. APPROPRIATIONS; POSITIONS                                |
| Appropriations; | (a)(1) The sum of $$1,000,000.00$ is appropriated from the       | (a)(1) The sum of \$1,000,000.00 is appropriated from the         | (a)(1) The sum of \$1,000,000.00 is appropriated from the         |
| Positions       | Family and Medical Leave Insurance Special Fund to the           | Family and Medical Leave Insurance Special Fund to the            | <u>Family and Medical Leave Insurance Special Fund to the</u>     |
|                 | Department of Taxes in fiscal year 2020 for the adoption of      | Department of Taxes in fiscal year 2020 for temporary staffing    | Department of Taxes in fiscal year 2021 for temporary staffing    |
|                 | rules and the development of information technology systems      | needs related to the adoption of rules, the development of        | needs related to the adoption of rules, the development of        |
|                 | necessary to implement the provisions of 21 V.S.A. § 574.        | <u>information technology systems necessary to implement the</u>  | information technology systems necessary to implement the         |
|                 | (2) The sum of \$217,900.00 is appropriated from the             | provisions of 21 V.S.A. § 574, and, if applicable, to contract    | provisions of 21 V.S.A. § 574, and, if applicable, to contract    |
|                 | Family and Medical Leave Insurance Special Fund to the           | with the private insurance carrier selected pursuant to 21 V.S.A. | with the private insurance carrier selected pursuant to 21 V.S.A. |
|                 | Department of Labor for the adoption of rules and the            | § 572 to administer the collection of Family and Medical Leave    | § 572 to administer the collection of Family and Medical Leave    |
|                 | development of forms, procedures, and outreach and education     | Insurance contributions.  | Insurance contributions.  |
|                 | materials related to the Family and Medical Leave Insurance      | (2) The sum of \$217,900.00 is appropriated from the              | (2) The sum of \$217,900.00 is appropriated from the              |
|                 | Program established pursuant to 21 V.S.A. chapter 5, subchapter  | Family and Medical Leave Insurance Special Fund to the            | Family and Medical Leave Insurance Special Fund to the            |
|                 | 13.  | Department of Labor for staffing needs related to the adoption    | Department of Labor for staffing needs related to the adoption    |
|                 | (b) The establishment of one new administrator position in       | of rules and for the development of forms, procedures, and        | of rules and for the development of forms, procedures, and        |
|                 | the Department of Labor is authorized in fiscal year 2020.       | outreach and education materials related to the Family and        | outreach and education materials related to the Family and        |
|                 | *  | Medical Leave Insurance Program established pursuant to 21        | Medical Leave Insurance Program established pursuant to 21        |
|                 |  | V.S.A. chapter 5, subchapter 13.                                  | V.S.A. chapter 5, subchapter 13.                                  |
|                 |  | (b) The establishment of one new administrator position in        | (b) The establishment of one new administrator position in        |
|                 |  | the Department of Labor is authorized in fiscal year 2020.        | the Department of Labor is authorized in fiscal year 2021.        |
|                 |  | Sec. 18. 32 V.S.A. § 3102 is amended to read:                     | Sec. 18. 32 V.S.A. § 3102 is amended to read:                     |
|                 |  | § 3102. CONFIDENTIALITY OF TAX RECORDS                            | § 3102. CONFIDENTIALITY OF TAX RECORDS                            |
|                 |  | * * *   | * * *   |
|                 |  | (d) The Commissioner shall disclose a return or return            | (d) The Commissioner shall disclose a return or return            |
|                 |  | information:  | information:  |
|                 |  | * * *   | * * *   |
|                 |  | (7) to the Joint Fiscal Office pursuant to subsection             | (8) to the Attorney General, the Data Clearinghouse               |
|                 |  | 10503(e) of this title and subject to the conditions and          | established in the October 2017 Non-Participating Manufacturer    |
|                 |  | limitations specified in that subsection; and                     | Adjustment Settlement Agreement, which the State of Vermont       |
|                 |  | (8) to the Commissioner of Financial Regulation, the              | joined in 2018, the National Association of Attorneys General,    |
|                 |  | Commissioner of Labor, or the private insurance carrier           | and counsel for the parties to the Agreement as required by the   |
|                 |  | contracted with by the Commissioner of Financial Regulation       | Agreement and to the extent necessary to comply with the          |
|                 |  | pursuant to 21 V.S.A. § 572, provided the information is related  | Agreement and only as long as the State is a party thereto; and   |
|                 |  | to the administration of the Family and Medical Leave Insurance   | (9) to the Commissioner of Financial Regulation, the              |
|                 |  | Program created pursuant to 21 V.S.A. chapter 5, subchapter 13.   | Commissioner of Labor, or the private insurance carrier           |
|                 |  | * * *   | contracted with by the Commissioner of Financial Regulation       |
|                 |  |   | pursuant to 21 V.S.A. § 572, provided the information is related  |
|                 |  |   | to the administration of the Family and Medical Leave Insurance   |
|                 |  |   | Program created pursuant to 21 V.S.A. chapter 5, subchapter 13.   |
|                 |  |   | * * *   |
|                 |  | Sec. 19. 21 V.S.A. § 1314 is amended to read:                     | Same  |
|                 |  | See 17. 21 ( See 1 ) 101 ( 10 unionate to feut.                   |   |

Key:

Changes from the previous version

Senate Provision Adopted by Committee of Conference House Provision Adopted by Committee of Conference

§ 1314. REPORTS AND RECORDS; SEPARATION INFORMATION; DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT EMPLOYMENT INFORMATION; DISCLOSURE OF INFORMATION TO OTHER STATE AGENCIES TO INVESTIGATE MISCLASSIFICATION OR MISCODING

\* \* \*

(e)(1) Subject to such restrictions as the Board may by regulation prescribe by rule, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by the Commissioner.

\* \* \*

(8)(A) The Department of Labor shall disclose, upon request, to the insurance carrier that the Commissioner of Financial Regulation has contracted with to operate the Family and Medical Leave Insurance Program pursuant to section 572 of this title, any information in its records related to an identified individual that is necessary for the purpose of determining the individual's eligibility for Family and Medical Leave Insurance benefits pursuant to chapter 5, subchapter 13 of this title.

(B) The Commissioner shall enter into an agreement with the insurance carrier that governs the use of the disclosed information and complies with all requirements of 20 C.F.R. § 603.10.

(C) The information requested shall not be released unless the individual to whom the requested information relates has signed a consent form, approved by the Commissioner, that permits the release of the requested information.

#### Side-by-Side Comparison of Paid Family Leave Bill (H.107)

Prepared by Damien Leonard January 22, 2020

Key:
Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

|       | (D) The requested information shall not be released               |   |
|-------|---|---|
|       | unless the insurance carrier agrees to reimburse the Department   |   |
|       | of Labor for the costs involved in furnishing the requested       |   |
|       | information.  |   |
|       | * * *   |   |
|       | Sec. 20. POTENTIAL TRANSITION TO MANDATORY                        | Sec. 20. POTENTIAL TRANSITION TO MANDATORY  |
|       | COVERAGE FOR MEDICAL LEAVE FOR AN                                 | COVERAGE FOR MEDICAL LEAVE FOR AN   |
|       | EMPLOYEE'S OWN SERIOUS ILLNESS; REPORT                            | EMPLOYEE'S OWN SERIOUS ILLNESS; REPORT  |
|       | (a) On or before January 15, 2020, the Commissioner of            | (a) On or before January 15, 2021, the Commissioner of  |
|       | Labor, in consultation with the Commissioners of Financial        | Labor, in consultation with the Commissioners of Financial  |
|       | Regulation and of Taxes, shall report to the House Committee      | Regulation and of Taxes, shall report to the House Committee  |
|       | on General, Housing, and Military Affairs and the Senate          | on General, Housing, and Military Affairs and the Senate  |
|       | Committee on Economic Development, Housing and General            | Committee on Economic Development, Housing and General  |
|       | Affairs regarding the potential for transitioning, not later than | Affairs regarding the potential for transitioning, not later than   |
|       | July 1, 2022, from voluntary, opt-in coverage for medical leave   | July 1, 2023, from voluntary, opt-in coverage for medical leave   |
|       | to mandatory coverage for medical leave for all employees. The    | to mandatory coverage for medical leave for all employees. The  |
|       | report shall examine:   | report shall examine:   |
|       |   |   |
|       | (1) the potential cost of such a transition;                      | <ul><li>(1) the potential cost of such a transition;</li><li>(2) the potential impacts on contribution rates,</li></ul> |
|       | (2) the potential impacts on contribution rates,                  | administrative efficiency, and the experience of employers and  |
|       | administrative efficiency, and the experience of employers and    | 1 1   |
|       | employees;  | employees;  |
|       | (3) any projected changes in the usage of Family and              | (3) any projected changes in the usage of Family and  |
|       | Medical Leave Insurance benefits; and                             | Medical Leave Insurance benefits; and   |
|       | (4) any potential changes to the agreement between the            | (4) any potential changes to the agreement between the  |
|       | State and the private insurance carrier that the State has        | State and the private insurance carrier that the State has  |
|       | contracted with pursuant to 21 V.S.A. § 572 that the transition   | contracted with pursuant to 21 V.S.A. § 572 that the transition   |
|       | may make necessary.   | may make necessary.   |
|       | (b) The report shall include a detailed description of any        | (b) The report shall include a detailed description of any  |
|       | legislative changes that would be necessary to accomplish the     | legislative changes that would be necessary to accomplish the   |
|       | transition.   | <u>transition.</u>  |
|       | (c) As used in this section:                                      | (c) As used in this section:  |
|       | (1) "Employee" has the same meaning as in 21 V.S.A.               | (1) "Employee" has the same meaning as in 21 V.S.A.   |
|       | <u>§ 571(4).</u>  | § 571(4).   |
|       | (2) "Medical leave" has the same meaning as in 21                 | (2) "Medical leave" has the same meaning as in 21   |
|       | <u>V.S.A. § 571(9).</u>   | <u>V.S.A. § 571(9).</u>   |
|       |   | Sec. 21. STATE PLAN FOR FAMILY AND MEDICAL  |
|       |   | LEAVE INSURANCE   |
|       |   | (a) Notwithstanding any provision of 21 V.S.A. § 577 to the   |
|       |   | contrary, the paid family and medical leave program agreed to   |
|       |   | by the State and its collective bargaining units that takes effect  |
|       |   | on July 1, 2020 shall be deemed to provide benefits that are  |
|       |   | equivalent to the benefits provided pursuant to 21 V.S.A.   |
|       |   | chapter 5, subchapter 13.   |
| <br>ı | 1   |   |

| Key | : |
|-----|---|
|     |   |

of 21 V.S.A. chapter 5, subchapter 13 until the earlier of:

Changes from the previous version
Senate Provision Adopted by Committee of Conference
House Provision Adopted by Committee of Conference

|          |   |   | (b) Notwithstanding any provision of 3 V.S.A. § 638(b) to          |
|----------|---|---|--|
|          |   |   | the contrary, the State and its collective bargaining units shall  |
|          |   |   | not be required to conduct negotiations pursuant to 3 V.S.A.       |
|          |   |   | § 638(b) for purposes of the collective bargaining agreements      |
|          |   |   | that take effect on July 1, 2020.                                  |
| Sec. 18. | Sec. 18. EFFECTIVE DATES  | Sec. 21. EFFECTIVE DATES  | Sec. 22. EFFECTIVE DATES   |
|          | (a) This section and Secs. 1, 2, 4, 5, 6, 12, 13, 14, 15, 16, and | (a) This section and Secs. 1, 2, 4, 5, 6, 12, 13, 14, 15, 16, 17, | (a) This section and Secs. 1, 2, 4, 5, 6, 12, 13, 14, 15, 16, 17,  |
|          | 17 shall take effect on passage.                                  | 18, 19, and 20 shall take effect on passage.                      | 18, 19, 20, and 21 shall take effect on passage.                   |
|          | (b) Secs. 3 and 7 shall not take effect until December 1,         | (b) Secs. 3 and 7 shall not take effect until December 1,         | (b) Secs. 3 and 7 shall not take effect until January 1, 2021,     |
|          | 2019, and shall not take effect at all if the Commissioner of     | 2019, and shall not take effect at all if the Commissioner of     | and shall not take effect at all if the Commissioner of Financial  |
|          | Financial Regulation secures a suitable insurance company to      | Financial Regulation secures a suitable insurance carrier to      | Regulation secures a suitable insurance carrier to provide paid    |
|          | provide paid family and medical leave insurance pursuant to the   | provide paid family and medical leave insurance pursuant to the   | family and medical leave insurance pursuant to the provisions of   |
|          | provisions of 21 V.S.A. § 572(b).                                 | provisions of 21 V.S.A. § 572(b).                                 | 21 V.S.A. § 572(b).  |
|          | (c) Secs. 8, 9, 10, and 11 shall take effect on October 1,        | (c) Secs. 8, 9, 10, and 11 shall take effect on October 1,        | (c) Secs. 8, 9, 10, and 11 shall take effect on the date upon      |
|          | 2020.   | 2020.   | which employees may begin receiving benefits pursuant to           |
|          | (d)(1) Contributions shall begin being paid pursuant to 21        | (d)(1)(A) If the Commissioner of Financial Regulation             | subsection (d) of this section.                                    |
|          | V.S.A. §§ 573 and 574 on April 1, 2020, and, beginning on         | secures a private insurance carrier pursuant to 21 V.S.A. § 572,  | (d)(1)(A) If the Commissioner of Financial Regulation              |
|          | October 1, 2020, employees may begin to receive benefits          | contributions shall begin being paid pursuant to 21 V.S.A.        | selects a private insurance carrier pursuant to 21 V.S.A. § 572    |
|          | pursuant to 21 V.S.A. chapter 5, subchapter 13.                   | §§ 573 and 574 on April 1, 2020, and, beginning on October 1,     | on or before September 1, 2020, contributions shall begin being    |
|          | (2) An employer that is subject to a collective bargaining        | 2020, employees may begin to receive benefits pursuant to         | withheld pursuant to 21 V.S.A. §§ 573 and 574 on January 1,        |
|          | agreement shall not be required to pay contributions or be        | 21 V.S.A. chapter 5, subchapter 13.                               | 2021, and, beginning on July 1, 2021, employees may begin to       |
|          | subject to the provisions of 21 V.S.A. chapter 5, subchapter 13   | (B) If the Commissioner of Financial Regulation is                | receive benefits pursuant to 21 V.S.A. chapter 5, subchapter 13.   |
|          | until either the effective date of the next collective bargaining | unable to secure a private insurance carrier pursuant to 21       | (B) If the Commissioner of Financial Regulation                    |
|          | agreement after April 1, 2020, or the effective date of a         | V.S.A. § 572, contributions shall begin being paid pursuant to    | selects a private insurance carrier pursuant to 21 V.S.A. § 572    |
|          | supplement to or provision of an existing collective bargaining   | 21 V.S.A. §§ 573 and 574 on July 1, 2020, and, beginning on       | after September 1, 2020, contributions shall begin being           |
|          | agreement that specifically addresses the provisions of 21        | July 1, 2021, employees may begin to receive benefits pursuant    | withheld pursuant to 21 V.S.A. §§ 573 and 574 on April 1,          |
|          | V.S.A. chapter 5, subchapter 13, in order to permit the employer  | to 21 V.S.A. chapter 5, subchapter 13.                            | 2021, and, beginning on October 1, 2021, employees may begin       |
|          | and the collective bargaining representative to negotiate         | (2) An employer that is subject to a collective bargaining        | to receive benefits pursuant to 21 V.S.A. chapter 5, subchapter    |
|          | regarding the employer and employee shares of the contribution    | agreement shall not be required to pay contributions or be        | <u>13.</u>   |
|          | rate or whether the employer will provide benefits through an     | subject to the provisions of 21 V.S.A. chapter 5, subchapter 13   | (C) Notwithstanding subdivisions (A) and (B) of this               |
|          | alternative plan established pursuant to 21 V.S.A. § 577.         | until either the effective date of the next collective bargaining | subdivision (d)(1), if the Commissioner of Financial Regulation    |
|          |   | agreement after April 1, 2020 or the effective date of a          | is unable to secure a private insurance carrier pursuant to 21     |
|          |   | supplement to or provision of an existing collective bargaining   | V.S.A. § 572, contributions shall begin being withheld pursuant    |
|          |   | agreement that specifically addresses the provisions of 21        | to 21 V.S.A. §§ 573 and 574 on July 1, 2021, and, beginning on     |
|          |   | V.S.A. chapter 5, subchapter 13 in order to permit the employer   | July 1, 2022, employees may begin to receive benefits pursuant     |
|          |   | and the collective bargaining representative to negotiate         | to 21 V.S.A. chapter 5, subchapter 13.                             |
|          |   | regarding the employer's and employees' shares of the             | (2) In order to permit employers and collective bargaining         |
|          |   | contribution rate and whether the employer will provide benefits  | representatives to negotiate regarding the employer's and          |
|          |   | through an alternative plan established pursuant to 21 V.S.A. §   | employees' shares of the contribution rate and whether the         |
|          |   | <u>577.</u>   | employer will provide benefits through an alternative plan         |
|          |   |   | established pursuant to 21 V.S.A. § 577, an employer that is       |
|          |   |   | subject to a collective bargaining agreement shall not be          |
|          |   |   | required to withhold contributions or be subject to the provisions |
|          |   |   | of 21 V.S.A. chapter 5, subshapter 13 until the parlier of         |

|   | Key:  |  |
|---|---|--|
|   | Changes from the previous version                           |  |
| Senate Provision Adopted by Committee of Conference |   |  |
|   | House Provision Adopted by Committee of Conference          |  |
|   | (A) the effective date of the next collective bargaining    |  |
|   | agreement after the date when contributions are required to |  |
|   | begin being withheld pursuant to subdivision (1) of this    |  |
|   | subsection; or  |  |
|   | (B) the effective date of a supplement to or provision      |  |

|  | Trouble Tro vision Truopted by Committee of Committee            |
|--|--|
|  | (A) the effective date of the next collective bargaining         |
|  | agreement after the date when contributions are required to      |
|  | begin being withheld pursuant to subdivision (1) of this         |
|  | subsection; or   |
|  | (B) the effective date of a supplement to or provision           |
|  | of an existing collective bargaining agreement that specifically |
|  | addresses the provisions of 21 V.S.A. chapter 5, subchapter 13.  |