

Prepared for the House General Affairs Committee						JFO/jm; 8 Jan 2020
Examine the \$11,400 benefit eligibility threshold for mandatory leaves (bonding, family care)						
The Dept. of Taxes estimates 60,000 workers in Vermont would pay FMLI contributions but would be ineligible for benefits						
	# low-wage	Total #				Max contribn on \$11,400
	60000	315000	19.0%	of workers		\$22.80
If average earnings of that group is \$8000 and use same percentage of workers using leave as overall worker population						
Average earnings	\$8,000		About 1,050 workers use leave per year			
Same share use leave	1.8%		Average weekly benefit is about \$130			
Leave of same length	8.5, 4.2		Find total benefits of about \$1,000,000 per year			
Contributions	# in group	Avg earnings	Rate	Total contribn	Total wg base	Share of wg base
	60,000	\$8,000	0.20%	\$960,000	\$14,583,000,000	0.0066%
				Total benefits		
Benefits	60,000	\$8,000		\$1,000,000	\$14,583,000,000	0.0069%
Estimate says if exempt workers under \$11,400 from contributions and make them ineligible for benefits,						
no effect on contribution rate of 0.2%						
Estimate says if workers pay contributions but are ineligible for benefits,						
no effect on contribution rate rounded to 0.2%						